

SENATE

MONDAY, FEBRUARY 13, 1961

The Senate met at 12 o'clock meridian, and was called to order by the Vice President.

Maj. Gen. Frank A. Tobey, Chief of Chaplains, Department of the Army, offered the following prayer:

Almighty God, we do earnestly pray that Thou wilt keep the United States of America in Thy holy protection.

Shed Thy spirit's light into the hearts of all of us, that our inspiring heritage may compel us on to the final achievement of our Nation's destiny.

Cause us all to put her welfare before personal gain, that we may make daring decisions that will assure peace at home and abroad, prosperity for all people, and continued enjoyment of our cherished freedoms.

Give wisdom, patience, and courage to all Thy servants, gathered here in this Chamber, who have dedicated their lives and energies to the selfless and noble service of our great land of liberty. Give them direction as they create lasting legislation, not only for these exciting, crucial, and consequential days, but for future posterity.

Direct their thinking as they answer the call to conflict and conquest against the tyrannies that would enslave the creative energies of the human spirit. Give them confidence that in these turbulent days, God is still marching on and leading us toward nobler ends, beyond our dreaming.

May they direct this Nation, which was born in rebellion against tyranny, into a new and victorious rebellion against hunger, want, calamity, laziness, disease, and all the evils which bar mankind from the full enjoyment of this bountiful universe.

And in the spirit of a great President whose memory we honor at this time, cause us to know that none can be perfectly happy until all are happy; that none can be perfectly moral until all are moral; and that none can be perfectly free until all are free.

In all things make us good stewards, that our lives may be in accordance with Thy holy will, and that we may use all of our Nation's resources to the fulfillment of Thy purpose, that Thy kingdom may come and Thy will be done on earth, as it is in heaven. To this end, we seek Thy fatherly benediction and the guidance of Thy holy hand. Amen.

THE JOURNAL

On request of Mr. MANSFIELD, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, February 9, 1961, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

CALL OF THE CALENDAR
DISPENSED WITH

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the call of the calendar, under the rule, be dispensed with.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

LIMITATION OF DEBATE DURING
MORNING HOUR

Mr. MANSFIELD. Mr. President, under the rule, there will be the usual morning hour. I ask unanimous consent that statements in connection therewith be limited to 3 minutes.

The VICE PRESIDENT. Without objection, it is so ordered.

DEATH OF FORMER SENATOR
TYDINGS, OF MARYLAND

Mr. BEALL. Mr. President, it is with deep regret that I announce the death, last Thursday evening, of a former Member of this body, a colleague of many of us, the Honorable Millard E. Tydings, of Maryland.

Millard Tydings was a friend of mine for many years. I knew and respected the late Senator for some 40 years. When I first came to the Congress of the United States, as Representative of Maryland's Sixth District, Millard Tydings was in the U.S. Senate, and he was gracious, courteous, and helpful to me.

Our Nation honors Millard Tydings for his outstanding service in World War I. He went into service as an enlisted private, and rose to lieutenant colonel. He earned a citation from General Pershing, and was awarded the Distinguished Service Medal and the Distinguished Service Cross. The Nation honors Millard Tydings for his legislative service—first in the Maryland House of Delegates, where he became speaker; then in the State senate; then in the U.S. Congress. He fully deserves these honors.

On the editorial page of the Baltimore Sun, in its issue of Saturday, February 11, 1961, there appeared a tribute to Millard Tydings written by John W. Owens, a Maryland newspaperman of distinction. I ask that the article be printed at this point in the RECORD, as a part of these remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

MILLARD E. TYDINGS: A MEMOIR
(By John W. Owens)

Millard E. Tydings was built for the wars. Had he been born half a century earlier, he would have ridden with "Jeb" Stuart. In the raid into Pennsylvania and ride around McClellan's army, no soldier would have been bolder or happier.

His first wars were in local politics. Fifty years or so ago, Havre de Grace was mostly under the rule of a delightful old fellow named Michael Fahey. Mr. Tydings, while trying to piece together the beginnings of a smalltown law practice, challenged Mr. Fahey and did quite well. Soon, he looked over Harford County, which was amiably

managed in those days by a clublike group in which were Murray Vandiver, Thomas H. Robinson, Mr. Fahey, and a few others. The young Tydings and other striplings clustered around James J. Archer, identified themselves with the progressive movement led by Senator Blair Lee and took over much of the control in the county. Within a short time Mr. Tydings was making war as a member of the House of Delegates. He was active in unseating Mr. Vandiver as State treasurer, a feat which many had supposed to be impossible. But about that time Villa was making trouble on the Mexican border. Mr. Tydings turned from the political wars to those of the Army. He appeared one day in a private's uniform. Less than 3 years later, he took off the uniform of a lieutenant colonel, having made a notable record in Europe and having won several decorations.

In a little while he was back in the political wars, daring as ever and luckier than most men in politics. He went again to the legislature. He became one of a group of vigorous young men around Governor Ritchie. Others were Philip B. Perlman, E. Brooke Lee, and Ogle Marbury. He served in the house of delegates and the State senate and then took the nomination for Congress in the Second District away from Carville D. Benson, a seasoned politician. His daring held and his luck held. In 1926 there was confusion over the Democratic nomination for the Senate. Mr. Tydings came out of the confusion with the nomination. He was almost apologetic about his luck. He was elected and went to work earnestly but thought he would be a one-term Senator. Maryland in those days usually voted Republican in presidential elections and the Republican candidate for Senator in a presidential year always won. But when 1932 rolled around, Mr. Roosevelt carried Maryland and Mr. Tydings was reelected.

His luck held until in 1950 he became a victim of the McCarthy craze. He had been in some danger of trouble in 1938. That year was the year that Mr. Roosevelt put Mr. Tydings on his purge list because the Senator had opposed some of the New Deal's measures. In Maryland a good many people thought they could choose their own Senator without direction from Mr. Roosevelt and Mr. Tydings was renominated and reelected without much bother. The campaign of 1944, another Roosevelt-victory year, was easy. Mr. Roosevelt made the best of Mr. Tydings and no other opposition mattered. After the disaster of 1950, willingness to fight it out remained and in 1956 Mr. Tydings won the Democratic nomination for the Senate but illness forced him to resign the nomination. The last few years were sad. The impulse to charge into battle remained, but Mr. Tydings probably knew that ill health would prevent his ever charging again.

He grew steadily in office. He worked, accumulated a large body of information, acquired influence in legislation and built a reputation that went far beyond Maryland. He was conscientious in his duties. In his later years in the Senate, he was one of the first to see the global dangers of atomic warfare and he lost no opportunity to press for disarmament and peace. He was a good man and a good public servant. But at heart, he remained in any responsibility the daring young man who charged into battle against "Mike" Fahey nearly 50 years ago.

Mr. BUTLER. Mr. President, it is my sad duty to join with my colleague [Mr. BEALL] in informing the Senate of the death of Millard E. Tydings, former Senator from Maryland. The entire Nation has lost an able and courageous statesman. Senator Tydings gave the citizens of Maryland 36 years of public service;

he gave our Nation and Constitution his devotion.

As many of my fellow Senators know, Senator Tydings and I did not agree on all issues. In fact, he was my opponent in 1950. However, one of the great attributes of American politics is that we can respect the sincerity of a man's beliefs even if we do not espouse them. The great tradition of the Senate is that we can disagree without being disagreeable. Because Senator Tydings observed this tradition and because of his great contributions to public life, we shall miss him, and we mourn his passing.

The former Senator from Maryland served in this body for four terms. One of the highlights in Senator Tydings' career of vigilance toward the Constitution came in 1937 when he opposed President Franklin D. Roosevelt's proposal to pack the Supreme Court. From the Senate floor he warned that the President's scheme would make the Court "the continual football of the philosophy which for the moment was predominant in the Congress." He proclaimed:

What I want is to have the American people drive all three teams and not have the executive and legislative horses combine in forcing the other horse, against the will of the driver, into a direction that the driver may not want him to go.

His unyielding opposition led the President to attempt to purge him from the Democratic Party when he sought a third term in 1938. The people of Maryland applauded the stalwart leadership of Senator Tydings by giving him a record vote in the senatorial primary, and the purge failed.

Senator Tydings sponsored much legislation of great importance, and was also influential in establishing Philippine independence.

The Maryland legislator began his career in 1914 when he was elected to the Maryland House of Delegates, where he served until 1921. From 1919 until 1921 he was speaker of that body. After a term from 1921 to 1923 in the Maryland State Senate, he was elected to two terms in the U.S. House of Representatives. He entered the U.S. Senate in 1927. He served as chairman of the Senate Armed Services Committee and as a member of the Senate Foreign Relations Committee and the Joint Committee on Atomic Energy.

Senator Tydings' reputation as a fighter was established early in his life. He served as a private on the Mexican border in 1916 and enlisted in the U.S. Army in World War I. He was promoted through the ranks from enlisted man to lieutenant colonel, was cited by Generals Pershing, Morton, and Upton, and awarded the Distinguished Service Medal, the Distinguished Service Cross, and the Distinguished Service Star by the Commonwealth of the Philippines.

A versatile man, Senator Tydings was an author, amateur playwright, writer of verse, pianist, golfer, and boatman. He wrote three books, "Machine Gunners of the Blue and Gray," "Before and After Prohibition," and "Counter-Attack."

Mr. President, I know that I speak for the Senate when I extend to his wife and family our most sincere condolences.

Their loss is our loss, and one for the Nation.

Mr. MANSFIELD. Mr. President, will the Senator from Maryland yield?

Mr. BEALL. I yield.

Mr. MANSFIELD. I wish to join my colleague, the Senator from Maryland, in expressing sorrow over the passing of former Senator Millard Tydings. He was a fighting man. He was an austere man, but he was a man of great courage and great ability. He served his country well in the First World War, at which time he earned a number of outstanding decorations for heroism on the battlefield. He served his country well in the Halls of Congress. We shall miss him greatly.

Mr. SCHOEPEL. Mr. President, will the Senator from Maryland yield?

Mr. BEALL. I yield.

Mr. SCHOEPEL. I wish to associate myself with the remarks of the distinguished Senator from Maryland with reference to the passing of former Senator Tydings, of the great State of Maryland.

It was my privilege to serve for a number of years with him in this body. As has been indicated by the distinguished majority leader, Millard Tydings was a man of sterling character and great convictions. Many times on the floor of the United States Senate he stood for some of the things that are fundamental to our great Nation, under which all of us are enjoying our existence today.

Maryland and the Nation have suffered a great loss in the passing of Millard Tydings.

Mr. HAYDEN. Mr. President, will the Senator from Maryland yield?

Mr. BEALL. I yield.

Mr. HAYDEN. Mr. President, I first came to know Millard Evelyn Tydings not long after he became a Member of the House of Representatives from the State of Maryland in 1923. We served together for 4 years in that body. In 1926 he and I along with Alben Barkley of Kentucky and Elmer Thomas of Oklahoma became candidates for election to the Senate from our respective States—we were each elected. Robert Wagner, as a Senator from New York, joined with us in taking the oath as Senators on March 4, 1927, and we were all, without interruption, Members of the Senate for the next 20 years.

They are no longer here but I can speak for the then Senators from Kentucky, Oklahoma, and New York when I say that we all enjoyed an unbroken friendship with Millard Tydings and each one of us had the highest respect for his courage in asserting his convictions and his ability to defend them.

No Senator ever rendered greater service to his State than did Millard Tydings; and no man ever rendered greater service as a Senator of the United States to his country, both in time of peace and in time of war, than did Millard Tydings.

Mr. BEALL. I thank the Senator from Arizona.

Mr. SPARKMAN. Mr. President, will the Senator from Maryland yield?

Mr. BEALL. I yield.

Mr. SPARKMAN. I wish to add a brief word of tribute, along with those

of my colleagues, to the memory of Millard Tydings.

I had the privilege of knowing Senator Tydings. He was a Member of the Senate when I first came to the House of Representatives, and while I was serving there I soon came to know him. Later, I had the pleasure of serving with him in the Senate.

He was a man of ability, integrity, and courage, and he made a great Senator. His passing from us is a loss not only to the State of Maryland, but also to the Nation.

I certainly extend to Mrs. Tydings, and to their children, my sympathy at his passing.

Mr. BEALL. I thank the Senator from Alabama.

Mr. AIKEN. Mr. President, will the Senator from Maryland yield?

Mr. BEALL. I yield to the Senator from Vermont.

Mr. AIKEN. Mr. President, during the 10 years that I was privileged to serve as a Member of the Senate with Millard Tydings, I learned to have a great deal of respect for him and for his opinions. He was very sound in his thinking. He never joined in any proposal which would not be in the best interests of his country. He was a great servant of the State of Maryland. I wish to join with all others who regret his passing.

Mr. BEALL. I thank the Senator from Vermont.

Mr. President, I ask unanimous consent that the Record be left open at this point, in order that other Senators may have an opportunity to make appropriate remarks.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. HILL. Mr. President, it was with deep regret that we learned the sad news of the death of our former colleague, Senator Millard E. Tydings, of Maryland.

Millard Tydings was my friend, tried and true. It was my privilege to serve with him in the Congress of the United States for many years, first in the House of Representatives and then here in the Senate.

Through the years, Millard Tydings was esteemed and honored as a patriot, as a statesman, and as a devoted public servant. Our generation and future generations will hold precious his memory and be grateful for the example of his good works and the inspiration of his great courage.

He made many lasting contributions to the strength of our Nation and to the progress and the security of our people. Certainly, nothing could have given him more gratification than his coauthorship of the Philippine Independence Act, which gave to the people of the Philippines their independence and opened for them the new world of freedom.

To his devoted wife, Eleanor, and to the members of his family, I join other Senators in extending my deepest sympathy in this time of their great loss and sorrow.

I ask unanimous consent to have printed at this point in the Record a

story in the Washington Post of February 11, 1961, containing richly deserved tributes to Millard Tydings.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

TYDINGS FUNERAL TO BE HELD SUNDAY

Messages of condolence poured in yesterday to the family of former Senator Millard E. Tydings, a leading Democratic spokesman who died Thursday of pneumonia.

At Annapolis, both branches of the Maryland Legislature passed resolutions expressing sorrow over the death of the 70-year-old statesman, Senator from Maryland for 24 years, from 1926-50. He served in both Maryland chambers early in his political career, and his son, Joseph D. Tydings, is now a Harford County member of the house.

Philippine President Carlos P. Garcia also sent a message of condolence to Senator Tydings' widow. It was Senator Tydings who coauthored legislation granting the Philippines their independence.

"Our people will always remember with gratitude that Senator Tydings fought on Capitol Hill for our freedom. In his death America has lost one whose service to his country transcends national boundaries," wrote Garcia.

"With the passage of his independence bill the United States has placed itself in the vanguard of the fight to end colonialism everywhere," President Garcia stated.

"He was a courageous statesman and a devoted public servant. The entire State mourns his loss," Gov. J. Millard Tawes of Maryland said in expressing his condolences. In separate resolutions, both houses of the legislature recorded their sorrow.

Funeral services will be held Sunday at 1:30 p.m. at his home at nearby Oakington, Md., then at St. John's Episcopal Church in Havre de Grace.

Honorary pallbearers will include Vice President LYNDON JOHNSON, Maryland Gov. J. Millard Tawes and many other high-ranking officials of the State and Nation.

Surviving are his wife, Eleanor; a son, Joseph D., of Harford; and a daughter, Mrs. Francis Warrington Gillet, Jr.

READING OF WASHINGTON'S FAREWELL ADDRESS

The VICE PRESIDENT. Pursuant to the order of the Senate of January 24, 1901, the Chair designates the Senator from Maryland [Mr. BUTLER] to read to the Senate on February 22 next Washington's Farewell Address.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following communications and letters, which were referred as indicated:

FAIR LABOR STANDARDS AMENDMENTS OF 1961

A communication from the President of the United States, transmitting a draft of proposed legislation to amend the Fair Labor Standards Act of 1938, as amended, to provide coverage for employees of large enterprises engaged in retail trade or service and of other employers engaged in commerce or in the production of goods for commerce, to increase the minimum wage under the act to \$1.25 an hour, and for other purposes (with accompanying papers); to the Committee on Labor and Public Welfare.

REPORT ON TRAINING OF FEDERAL EMPLOYEES

A communication from the President of the United States, transmitting, pursuant to

law, a report on the training of Federal employees, for the fiscal year 1960 (with an accompanying report); to the Committee on Post Office and Civil Service.

APPROPRIATIONS FOR AIRCRAFT, MISSILES, AND NAVAL VESSELS FOR THE ARMED FORCES

A letter from the Deputy Secretary of Defense, transmitting a draft of proposed legislation to authorize appropriations for aircraft, missiles, and naval vessels for the Armed Forces, and for other purposes (with accompanying papers); to the Committee on Armed Services.

AUDIT REPORT ON REVOLVING FUND, SMALL BUSINESS ADMINISTRATION

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the revolving fund, Small Business Administration, fiscal year 1959 (with an accompanying report); to the Committee on Government Operations.

REPORT ON REVIEW OF SUPPLY ACTIVITIES OF U.S. ARMY JAPAN DEPOT-COMPLEX

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the review of supply activities of U.S. Army Japan Depot-Complex, dated February 1961 (with an accompanying report); to the Committee on Government Operations.

REPORT ON REVIEW OF SELECTED INSURANCE OPERATIONS OF THE VETERANS' ADMINISTRATION

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report on the review of selected insurance operations of the Veterans' Administration, fiscal year 1959 (with an accompanying report); to the Committee on Government Operations.

REPORT ON VALUATIONS OF PROPERTIES BY INTERSTATE COMMERCE COMMISSION

A letter from the Chairman, Interstate Commerce Commission, Washington, D.C., transmitting, pursuant to law, reports of valuations of properties of certain carriers (with accompanying papers); to the Committee on Interstate and Foreign Commerce.

APPOINTMENT OF ADDITIONAL CIRCUIT AND DISTRICT JUDGES

A letter from the Director, Administrative Office of the U.S. Courts, Washington, D.C., transmitting a draft of proposed legislation to provide for the appointment of additional circuit and district judges, and for other purposes (with an accompanying paper); to the Committee on the Judiciary.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, or presented, and referred as indicated:

By the VICE PRESIDENT:

A joint resolution of the Legislature of the State of Oregon; to the Committee on the Judiciary:

"ENROLLED SENATE JOINT RESOLUTION 2

"Whereas Senate Joint Resolution 39 of the 86th Congress, 2d session, proposes an amendment to the Constitution of the United States, as follows:

"ARTICLE —

"SECTION 1. The District constituting the seat of Government of the United States shall appoint in such manner as the Congress may direct:

"A number of electors of President and Vice President equal to the whole number of Senators and Representatives in Congress to which the District would be entitled if it were a State, but in no event more than the least populous State; they shall be in addition to those appointed by the States,

but they shall be considered, for the purposes of the election of President and Vice President, to be electors appointed by a State; and they shall meet in the District and perform such duties as provided by the 12th article of amendment.

"SEC. 2. The Congress shall have power to enforce this article by appropriate legislation; and

"Whereas the amendment proposed by Senate Joint Resolution 39 shall be valid to all intents and purposes as part of the Constitution of the United States if ratified by the legislatures of three-fourths of the several States within 7 years after its submission: Now, therefore, be it

"Resolved by the Senate of the State of Oregon (the house of representatives jointly concurring):

"1. The proposed amendment to the Constitution of the United States granting representation in the electoral college to the District of Columbia, as set forth in this resolution, hereby is ratified.

"2. The Governor shall send certified copies of this resolution to the Administrator of General Services of the United States, to the Presiding Officer of the United States Senate and to the Speaker of the House of Representatives of the United States."

A joint resolution of the Legislature of the State of Minnesota; to the Committee on the Judiciary:

"RESOLUTION 1

"Resolution ratifying a proposed amendment to the Constitution of the United States of America granting representation in the electoral college to the District of Columbia

"Whereas both Houses of the Congress of the United States by a joint resolution, a two-thirds majority of each House concurring, proposed by Senate Joint Resolution 39 an amendment to the Constitution of the United States which read as follows:

"Joint resolution proposing an amendment to the Constitution of the United States granting representation in the electoral college to the District of Columbia

"Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is hereby proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution only if ratified by the legislatures of three-fourths of the several States within 7 years from the date of its submission by the Congress:

"ARTICLE —

"SECTION 1. The District constituting the seat of Government of the United States shall appoint in such manner as the Congress may direct:

"A number of electors of President and Vice President equal to the whole number of Senators and Representatives in Congress to which the District would be entitled if it were a State, but in no event more than the least populous State; they shall be in addition to those appointed by the States, but they shall be considered, for the purposes of the election of President and Vice President, to be electors appointed by a State; and they shall meet in the District and perform such duties as provided by the 12th article of amendment.

"SEC. 2. The Congress shall have power to enforce this article by appropriate legislation": Therefore, be it

"Resolved by the Legislature of the State of Minnesota, That the said proposed amendment to the Constitution of the United States is hereby ratified by the Legislature of the State of Minnesota.

"The secretary of state is directed to forward copies of this resolution to the Presid-

ing Officer of the Senate of the United States and the Speaker of the House of Representatives of the United States and that he transmit an official notice of this resolution to the Secretary of State of the United States as provided by the law of this State.

"KARL F. ROLVAAG,
"President of the Senate.

"E. J. CHILGREN,

"Speaker of the House of Representatives.

"Passed the senate this 17th day of January in the year of our Lord 1961.

"H. Y. TORREY,

"Secretary of the Senate.

"Passed the house of representatives this 31st day of January in the year of our Lord 1961.

"G. H. LEAHY,

"Chief Clerk, House of Representatives.

"Approved February 6, 1961.

"ELWIN L. OUSMEN,

"Governor of the State of Minnesota.

"Filed February 6, 1961.

"JOSEPH L. DONOVAN,

"Secretary of the State of Minnesota."

A bill (No. 587) enacted by the Legislature of the State of North Dakota; to the Committee on the Judiciary:

"HOUSE BILL 587

"A bill to accept the cession by the State of Minnesota to the State of North Dakota of certain parcels of real property and declaring an emergency

"Be it enacted by the Legislative Assembly of the State of North Dakota:

"SECTION 1. Whereas, due to flood control work upon the Red River of the North, an avulsion has occurred leaving two parcels of land described as those portions of government lot two in the northeast quarter, section twenty-nine, township one hundred forty north, range forty-eight west and the northeast quarter, section seven, township one hundred thirty-nine north, range forty-eight west of the fifth principal meridian, County of Clay, State of Minnesota, bounded by the thread of the Red River of the North as it existed prior to January 1, 1959, and the new thread of the Red River of the North as established by the U.S. Army Corps of Engineers under project CIVENG-21-018-59-22, containing respectively 9.78 and 12.76 acres more or less, detached from the State of Minnesota and attached to the State of North Dakota. The State of North Dakota, upon passage by the Legislature of the State of Minnesota of the necessary enabling legislation, does hereby accept jurisdiction over the above-described property, which property shall thereafter be a part of the State of North Dakota and title thereof shall be vested in the city of Fargo, N. Dak.

"SEC. 2. Nothing contained in the provisions of the act shall be construed in such manner as to prejudice the title, right, or claim of any person to any of the lands herein involved. The register of deeds of Cass County, N. Dak., shall accept and record, without charge therefor, patents, deeds, or other evidences of ownership or interest in any lands recorded in Clay County, Minn., which were previously a part of the State of Minnesota but are now within the boundaries of the State of North Dakota. Recordings made under the provisions of this section shall have retroactive effect to the date of their original recording in the State of Minnesota.

"SEC. 3. The act of the Legislature of the State of Minnesota referred to in section 1 of this act, together with this act, shall constitute the agreement between the States of Minnesota and North Dakota. The Congress of the United States, upon passage of such acts by the respective Legislatures of the States of Minnesota and North Dakota, is petitioned, pursuant to

article I, section 10, clause 3 of the U.S. Constitution, to give its consent to this agreement and to amend the enabling acts of such States accordingly. The secretary of state of North Dakota shall transmit duly certified copies of this act to the presiding officers of the Senate and House of Representatives of the United States and to the several Senators and Representatives of the States of Minnesota and North Dakota in the Congress of the United States, who are petitioned to take such action as they deem proper to procure the consent of the Congress of the United States to this agreement between the States of Minnesota and North Dakota. This agreement shall become effective when it has been ratified and approved by the Legislatures of the States of Minnesota and North Dakota and approved by the Congress of the United States.

"SEC. 4. Emergency. This act is hereby declared to be an emergency measure and shall be in full force and effect from and after its passage and approval.

"R. FAY BROWN,

"Speaker of the House.

"GERALD L. STAIR,

"Chief Clerk of the House.

"ORVILLE W. HAGEN,

"President of the Senate.

"HOWARD F. DOHERTY,

"Secretary of the Senate.

"Approved at 10 a.m. on February 4, 1961.

"WILLIAM L. GUY, Governor."

A joint resolution of the Legislature of the State of Idaho; to the Committee on Banking and Currency:

"HOUSE JOINT MEMORIAL 3

"Joint memorial to the honorable Senate and House of Representatives of the United States in Congress assembled

"We, your memorialists, the Legislature of the State of Idaho, respectfully represent that:

"Whereas the sharp decline in our Nation's monetary reserves in recent years and the accelerated rate of that decline in recent months has invited worldwide security of U.S. monetary policies; and

"Whereas the continuing international drain on our gold supply, coupled with the recent increase in speculative buying in world markets, suggests a growing lack of confidence in the stability of the dollar both at home and abroad; and

"Whereas this loss of prestige of the dollar can be attributed in large measure to the erosion of its value during the past 25 years which has resulted from the virtual abandonment on a domestic basis of our traditional and time-tested hard-money policies in favor of managed paper currency supported internally by little more than confidence in the Government; and

"Whereas the drop in gold reserves has been accompanied by a steady dissipation of Treasury 'free' silver supplies through sales to industrial users of the metal at prices below those prevailing in world markets; and

"Whereas this policy of selling Treasury free silver has not only accentuated the problem of monetary solvency but also effectively maintained an artificial ceiling on the open market price to the disadvantage of domestic silver producers; and

"Whereas the worldwide responsibilities which this Nation has assumed requires that we adhere to sound hard-money policies and maintain a currency that is virtually impregnable to the continuing stresses and periodic shocks of international unrest and dissension: Now, therefore, be it

"Resolved by the 36th session of the Legislature of the State of Idaho, now in session (the senate and house of representatives concurring), That we respectfully urge the Congress of the United States to reassert its constitutional control over our national monetary policies and restore the integrity

of the dollar throughout the world by proceeding with all deliberate haste to enact legislation that will:

"1. Reaffirm this Nation's historical and traditional confidence in gold and silver as monetary metals by fixing the ratio at which the dollar and gold will be made fully convertible and establishing the procedures for orderly restoration of the gold standard.

"2. Abolish all restrictions on the purchase, sale, and ownership of gold by U.S. citizens.

"3. Terminate immediately all sales of gold and silver to industrial users and require the Treasury to retain all monetary stock of both metals exclusively for monetary purposes.

"4. Amend the act of July 31, 1946, to eliminate the seigniorage charge of 30 percent on purchases of silver and thus stimulate production of this metal to assure a continuing supply to our Nation.

"5. Take cognizance of the increased cost of producing gold in this country by raising the price paid to domestic producers for newly mined gold.

"6. Require the executive department, as part of its foreign policy, to encourage and assist other governments to restore gold and silver coinage and currencies convertible into gold as their circulating mediums and standards of value; and be it further

"Resolved, That the secretary of state of the State of Idaho be, and he hereby is, authorized and directed to forward certified copies of this memorial to the President and Vice President of the United States, the Speaker of the House of Representatives of the Congress, and to the Senators and Representatives representing this State in the Congress of the United States."

A joint resolution of the Legislature of the State of Idaho; to the Committee on Interior and Insular Affairs:

"HOUSE JOINT MEMORIAL

"Joint memorial to the Honorable Senate and House of Representatives of the United States in Congress assembled

"We, your memorialists, the Legislature of the State of Idaho, respectfully represent that:

"Whereas the development and utilization of Idaho's abundant mineral resources has always been and must continue to be one of the principal bulwarks of the State's economy, providing not only a source of employment and income but also a sound base for tax revenues and substantial market outlet for agricultural and manufactured products in mining areas; and

"Whereas this basic and essential mining industry has for several years been confronted with adverse economic conditions so severe that many major metal mining enterprises in the State, involving the production of antimony, tungsten, cobalt, and other strategic metals, have been forced out of business, and many others, including our large lead and zinc producers, are being reduced to the status of marginal operations; and

"Whereas the cause of this serious predicament of our mining industry can be traced to governmental policy which stimulates the development and exploitation of foreign mineral resources and permits relatively free access of this low-cost foreign production to U.S. markets; and

"Whereas this policy if continued will not only threaten the economic survival of Idaho's metal mining industry, but will also impose a serious handicap on our Nation's capacity for providing from domestic sources the basic requirements for national defense; and

"Whereas the executive department of the Federal Government and both major political parties, as well as the Conference of Western Governors, have officially recognized the necessity for maintaining a domestic

mining industry that is sufficiently progressive and vigorous to assure a minerals mobilization base adequate for national preparedness and security; and

"Whereas past efforts by the Federal Government to alleviate the depressed conditions which prevail in various segments of the domestic mining industry by means of short-range programs and temporary expedients such as stockpiling and quota limitations have proved ineffective and inadequate: Now, therefore, be it

"Resolved by the 36th session of the Legislature of the State of Idaho, now in session (the senate and the house of representatives concurring), That we respectfully urge the Congress of the United States and the executive department of the Federal Government to develop and adopt as soon as possible a national minerals policy that will guarantee a strong and healthy domestic mining industry by assuring domestic producers a fair and equitable share of domestic metal markets.

"We recommend that this policy be implemented by more effective enforcement of the antidumping laws, and by the imposition of adequate duties on metals and mineral imports to be applied only if and when the price of the metals fall below the peril point level that is required to maintain a sound and healthy domestic mining industry; and be it further

"Resolved, That the secretary of state of the State of Idaho be, and he hereby is, authorized and directed to forward certified copies of this memorial to the President and Vice President of the United States, the Speaker of the House of Representatives of the Congress, and to the Senators and Representatives representing this State in the Congress of the United States."

A joint resolution of the Legislature of the State of Idaho; to the Committee on the Judiciary:

"HOUSE JOINT RESOLUTION 3

"Joint resolution ratifying the proposed amendment to the Constitution of the United States of America relating to the granting of representation in the electoral college to the District of Columbia

"Whereas the 86th Congress of the United States of America, at its 2d session, in both Houses, by a constitutional majority of two-thirds thereof, has made the following proposition to amend the Constitution of the United States of America in the following words, to wit:

"JOINT RESOLUTION

"Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is hereby proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution only if ratified by the legislatures of three-fourths of the several States within 7 years from the date of its submission by the Congress:

"ARTICLE —

"SECTION 1. The District constituting the seat of Government of the United States shall appoint in such manner as the Congress may direct:

"A number of electors of President and Vice President equal to the whole number of Senators and Representatives in Congress to which the District would be entitled if it were a State, but in no event more than the least populous State; they shall be in addition to those appointed by the States, but they shall be considered for the purposes of the election of President and Vice President, to be electors appointed by a State; and they shall meet in the District and perform such duties as provided by the 12th article of amendment.

"SEC. 2. The Congress shall have power to enforce this article by appropriate legislation." Now, therefore, be it

"Resolved by the Legislature of the State of Idaho:

"SECTION 1. That the said proposed amendment to the Constitution of the United States of America be, and the same is hereby ratified by the Legislature of the State of Idaho.

"Passed the house on the 20th day of January 1961.

"W. D. EBERLE,

"Speaker of the House of Representatives.

"Passed the senate on the 31st day of January 1961.

"W. E. DREVLOW,

"President of the Senate.

"Attest:

ROBERT H. REMAKLUS,

"Chief Clerk of the House of Representatives."

A concurrent resolution of the Legislature of the State of Arkansas; to the Committee on the Judiciary:

"H.C.R. 38

"Memorializing the Congress of the United States to propose an amendment to the Constitution of the United States relative to balancing the expenditures and the income of the Government of the United States

"Whereas the U.S. Government is presently indebted in a minimum sum of \$295 billion and the debt increases each year; and

"Whereas the U.S. Government now pays approximately \$9 billion in interest on the present indebtedness each fiscal year; and

"Whereas the value of a dollar continues to decrease, particularly since World War II, largely due to the inflationary fiscal policy of the Federal Government; and

"Whereas the people of the United States are already bearing a practically confiscatory and excessive burden of taxes, particularly from the Federal Government; and

"Whereas 'The power to tax is the power to destroy,' and the present level of taxation on the people has reached the point of diminishing returns: Now, therefore, be it

"Resolved by the house of representatives (the senate concurring), That the general assembly hereby urges and memorializes the Congress of the United States to propose to the States an amendment to the Constitution of the United States as provided by article V of the Constitution, to read as follows, to wit:

"SECTION 1. On or before the fifteenth day after the beginning of each regular session of the Congress, the President shall transmit to the Congress a budget which shall set forth his estimate of the receipts of the Government, other than trust funds, during the ensuing fiscal year under the laws then existing and his recommendations with respect to expenditures to be made from funds other than trust funds during such ensuing fiscal year, which shall not exceed such estimate of the receipts. The President in transmitting such budget may recommend measures for raising additional revenue and his recommendations for the expenditure of such additional revenue. If the Congress shall authorize expenditures to be made during such ensuing fiscal year in excess of such estimate of the receipts, it shall not adjourn for more than three days at a time until such action has been taken as may be necessary to balance the budget for such ensuing fiscal year. In case of war or other grave national emergency, if the President shall so recommend, the Congress by a vote of three-fourths of all the Members of each House may suspend the foregoing provisions for balancing the budget for periods, either successive or otherwise, not exceeding one year each.

"SEC. 2. This article shall take effect on the first day of the calendar year next following the ratification of this article.

"SEC. 3. This article shall be inoperative unless it shall have been ratified as an amendment to the Constitution by the legislatures of three-fourths of the several States within seven years from the date of its submission to the States by the Congress; and be it further

"Resolved, That a certified copy of this resolution be furnished to the President of the Senate and the Speaker of the House of Representatives of the Congress, and to each congressional Representative from the State."

A joint resolution of the Legislature of the State of Wyoming; to the Committee on Finance:

ENROLLED JOINT MEMORIAL 6

"Joint memorial memorializing the Congress of the United States of America, the Secretary of the Interior, and the Bureau of Land Management, with reference to passing legislation granting 90 percent of all moneys from the sale of, or as bonuses, royalties, or rentals on, federally controlled minerals within the State of Wyoming to the State of Wyoming

"Whereas the people of the sovereign State of Wyoming, recognizing that the United States of America owns over 50 percent of all the lands within the borders of the State of Wyoming, and over 70 percent of the minerals on, in, or under the lands of the State of Wyoming; and

"Whereas the surface and minerals constitute an important part of the life and economy of the State of Wyoming; and

"Whereas most of the revenue derived from the leasing of the surface and minerals in Wyoming is now retained and controlled by the Federal Government, resulting in discrimination involving tax bases and Federal land and mineral holdings among western land States; and

"Whereas the welfare and interest of the citizens of the State of Wyoming demand a more equitable share of the revenue derived from the leasing of the minerals under Federal ownership within the State of Wyoming; and

"Whereas Alaska in its Act of Admission was given 90 percent of the mineral royalties on Federal lands and on private lands in which the Federal Government has reserved the minerals; and

"Whereas the tideland States have been granted the mineral rights on offshore submerged lands; and

"Whereas historically, Eastern States were given all of the land within their confines; and

"Whereas the State of Wyoming and the Western States have been denied equality of treatment as given Alaska, tideland States, and the Eastern States; and

"Whereas the revenue so derived should be used for the support of schools or other public educational institutions and for the construction and maintenance of public roads within the State of Wyoming: Now, therefore, be it

"Resolved by the House of Representatives of the 36th Legislature of the State of Wyoming (the senate of such legislature concurring), That the President and Congress of the United States of America be, and they are hereby, memorialized to fairly and diligently consider the welfare and interest of the people of the State of Wyoming who favor legislation providing that 90 percent of all moneys received from the sale of or as bonuses, royalties, or rentals on federally controlled minerals within the State of Wyoming be paid by the Treasurer of the United States to the State of Wyoming to be used for the construction and support of public schools, and other public educational institutions, or for the construction and main-

tenance of public roads in such manner as the Legislature of the State of Wyoming may direct; and be it further

"Resolved, That certified copies thereof be promptly transmitted to the President and Vice President of the United States, the Speaker of the House of Representatives of said Congress, U.S. Senator GALE MCGEE, U.S. Senator J. J. HICKEY, and Representative in Congress WILLIAM HENRY HARRISON, to the Secretary of the Interior, and to the Director of the Bureau of Land Management.

"ALBERT C. HARDING,

"President of the Senate.

"WILLIAM F. SWANTON,

"Speaker of the House Pro Tempore.

"Approved February 8, 1961.

"JACK R. GAGE,

"Acting Governor."

A joint resolution of the Legislature of the State of Wyoming; to the Committee on Interior and Insular Affairs:

"ENROLLED JOINT MEMORIAL 4

"Joint memorial, memorializing the Congress of the United States concerning wilderness legislation and opposing the creation or extension of wilderness areas within the State of Wyoming

"Whereas bills have been introduced in the last two sessions of the U.S. Congress to establish a national wilderness preservation system; and

"Whereas these bills would create wilderness areas in Wyoming; and

"Whereas the creation of such wilderness areas would interfere with the development of the State's water resources, and would jeopardize the multiple-use concept of the areas for the projection of water, forage, timber, minerals, and recreational opportunities, which multiple-use concept policy has been in effect for over 50 years, and has shaped the economy of the West; and

"Whereas the welfare and interest of the citizens of Wyoming demand that there shall not be any further extension of wilderness areas in Wyoming: Now, therefore, be it

"Resolved by the House of the 36th Legislature of the State of Wyoming (the Senate of such legislature concurring), That the President and Congress of the United States of America be and they are hereby memorialized to consider fairly and diligently the welfare and interest of the people of the State of Wyoming, who oppose the creation or extension of wilderness areas in Wyoming; that, furthermore, if such wilderness areas are necessary and desired in other States, that areas adjacent to centers of population be purchased and returned to the wilderness state, believing that such a program could make wilderness areas available to more people of the country than the creation of such areas in the West; and be it further

"Resolved, That certified copies hereof be promptly transmitted to the President and Vice President of the United States, the Speaker of the House of Representatives of said Congress, U.S. Senator GALE MCGEE, U.S. Senator J. J. HICKEY, and Representative in Congress WILLIAM HENRY HARRISON.

"ALBERT C. HARDING,

"President of the Senate.

"JOSEPH L. BUDD,

"Speaker of the House.

"Approved February 7, 1961.

"JACK R. GAGE,

"Acting Governor."

A joint resolution of the Legislature of the State of Wyoming; to the Committee on Labor and Public Welfare:

"ENROLLED JOINT MEMORIAL 3

"Joint memorial, memorializing the Congress of the United States of America with reference to employment of persons over 40 years of age

"Whereas responsible surveys have established that workers of middle age, and many

older persons, have invaluable assets as employees in highly developed skills, sound judgment, proven production capacities, steadfastness in one job, lower accident incidence, and low absenteeism records: Now, therefore, be it

"Resolved by the House of the 36th Legislature of the State of Wyoming (the Senate concurring), That the President and Congress of the United States of America be and they hereby are memorialized to take such action as may be necessary to remove the basis of such discrimination from national legislation; and be it further

"Resolved, That certified copies thereof be transmitted to the President and the Vice President of the United States, the Speaker of the U.S. House of Representatives, Senators JOSEPH J. HICKEY and GALE MCGEE, Representative WILLIAM HENRY HARRISON, and Secretary of Labor.

"ALBERT C. HARDING,

"President of the Senate.

"JOSEPH L. BUDD,

"Speaker of the House.

"Approved February 7, 1961.

"JACK R. GAGE,

"Acting Governor."

A resolution adopted by the Long Island General Assembly of the Knights of Columbus, Brooklyn, N.Y., relating to the acceptance of compulsory jurisdiction of the International Court of Justice; to the Committee on Foreign Relations.

A letter in the nature of a petition signed by Hugh Latimer, president, Free World Committee, Oak Park, Ill., relating to the admission of Red China into the United Nations; to the Committee on Foreign Relations.

The petition of Jay Creswell, of Orlando, Fla., praying for a redress of grievances; to the Committee on the Judiciary.

A resolution adopted by the Common Council of the City of Middlesboro, Ky., favoring the construction of the proposed TVA steam plant in southeastern Kentucky; to the Committee on Public Works.

A resolution adopted by the board of directors of the chamber of commerce of the city of Middlesboro, Ky., favoring the construction of the proposed TVA steam plant in southeastern Kentucky; to the Committee on Public Works.

By Mr. CHAVEZ:

A joint resolution of the Legislature of the State of New Mexico; to the Committee on Finance:

"HOUSE JOINT MEMORIAL 1

"A joint memorial memorializing the Congress of the United States to give favorable consideration to the amendment of the Sugar Act of 1948 in such a manner as to encourage the domestic production of sugar

"Whereas the Sugar Act of 1948 expires on March 31, 1961; and

"Whereas the destruction by the present Government of Cuba of normal commercial and other relationships between that country and the United States of America, and the destruction by that Government of much of the Cuban sugar producing capacity have eliminated Cuba as a major supplier to the American market, not only for the present but for many years to come; and

"Whereas the expansion of the domestic sugar industry will alleviate problems in both the agricultural and industrial sectors of our economy: Now, therefore, be it

"Resolved by the Legislature of the State of New Mexico, That the Congress of the United States be memorialized to give favorable consideration to amending the Sugar Act of 1948 to provide that any reduction in the Cuban sugar quota be assigned to domestic beet and cane sugar producers, and that such increase be so allocated as to foster the development of a stable industry

and encourage the building of additional beet processing plants to serve in the development of new beet sugar areas and new growers in established areas; be it further

"Resolved, That a copy of this memorial be transmitted to the President of the United States, the President of the U.S. Senate, the Speaker of the U.S. House of Representatives, and to each Senator and Representative in Congress from the State of New Mexico."

By Mrs. SMITH of Maine:

A resolution of the Legislature of the State of Maine; to the Committee on the Judiciary:

"RESOLUTION RATIFYING THE PROPOSED AMENDMENT TO THE CONSTITUTION OF THE UNITED STATES RELATING TO THE GRANTING OF REPRESENTATION IN THE ELECTORAL COLLEGE TO THE DISTRICT OF COLUMBIA

"Whereas the 86th Congress of the United States of America, at the 2d session begun and held at the city of Washington, on Wednesday the 6th day of January 1960, by a constitutional two-thirds vote in both Houses adopted a joint resolution proposing an amendment to the Constitution of the United States, to wit:

"Joint resolution proposing an amendment to the Constitution of the United States granting representation in the electoral college to the District of Columbia.

"Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is hereby proposed as an amendment to the Constitution of the United States, which shall be valid to all intents and purposes as part of the Constitution only if ratified by the legislatures of three-fourths of the several States within 7 years from the date of its submission by the Congress:

"ARTICLE—

"SECTION 1. The District constituting the seat of Government of the United States shall appoint in such manner as the Congress may direct:

"A number of electors of President and Vice President equal to the whole number of Senators and Representatives in Congress to which the District would be entitled if it were a State, but in no event more than the least populous State; they shall be in addition to those appointed by the States, but they shall be considered, for the purposes of the election of President and Vice President, to be electors appointed by a State; and they shall meet in the District and perform such duties as provided by the 12th article of amendment.

"SEC. 2. The Congress shall have power to enforce this article by appropriate legislation."

"Therefore be it

"Resolved, That the Legislature of the State of Maine hereby ratifies and adopts this proposed amendment to the Constitution of the United States.

"Resolved, That the secretary of the State of Maine notify the President of the United States, the Secretary of State of the United States, the President pro tempore of the United States, the Speaker of the House of Representatives of the United States, the Administrator of General Services of the United States, and each Senator and Representative from Maine in the Congress of the United States of this action of the legislature by forwarding to each of them a certified copy of this resolution."

(The VICE PRESIDENT laid before the Senate a resolution of the Legislature of the State of Maine identical with the foregoing, which was referred to the Committee on the Judiciary.)

EXTENSION OF SUGAR ACT—JOINT RESOLUTION OF MONTANA LEGISLATURE

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the body of the CONGRESSIONAL RECORD House Joint Memorial 6 as adopted by the Montana State Legislature requesting extension of the Sugar Act of 1948, as amended.

The sugar beet industry is of vital interest and importance to the economy of the State of Montana and I hope that the appropriate committees of the Congress will be able to act on the extension of this legislation at an early date.

There being no objection, the joint resolution was ordered to be printed in the RECORD, as follows:

HOUSE JOINT MEMORIAL 6

Whereas the U.S. sugar program has been in existence since 1934 and is presently operating under legislation entitled "The Sugar Act of 1948, as amended"; and

Whereas the Sugar Act of 1948 has provided great stability to the sugar beet growers in Montana and throughout the Nation and has assured adequate sugar supplies to consumers in the United States at reasonable prices; and

Whereas the deterioration of relations with the present Government of Cuba and other international problems prevented the 86th Congress of the United States from taking the necessary action to extend the Sugar Act of 1948 for a term of years; and

Whereas the Sugar Act of 1948 is scheduled to expire March 31, 1961, and steps must be taken by the Congress of the United States if continuity of the legislation is to be achieved and if serious disruption in supplies of sugar is to be avoided: Now, therefore, be it

Resolved by the House of Representatives and the Senate of the State of Montana, That the 87th Congress immediately extend the present Sugar Act of 1948 through December 31, 1961; and be it further

Resolved, That prior to recess of the 1st session, the 87th Congress enact legislation for a sufficient term of years to provide a basis for sound economic planning on the part of the sugar industry of the Nation in recognition of the increasing importance of the sugar beet industry to this Nation and the added reliance which this Nation has placed on increased domestic sugar production; and be it further

Resolved, That copies of this memorial be transmitted by the secretary of state of the State of Montana to the Congress of the United States of America, Senator MIKE MANSFIELD, Senator LEE METCALF, Congressman JAMES F. BATTIN, Congressman ARNOLD H. OLSEN, and to the Secretary of Agriculture, Washington, D.C.

(The VICE PRESIDENT laid before the Senate a joint resolution of the Legislature of the State of Montana identical with the foregoing, which was referred to the Committee on Finance.)

RESOLUTION OF LONG ISLAND (N.Y.) FEDERATION OF WOMEN'S CLUBS, INC.

Mr. JAVITS. Mr. President, I present, for appropriate reference, a resolution adopted by the Long Island Federation of Women's Clubs, Inc., of New York, relating to the establishment of a metropolitan government. I ask unan-

imous consent that the resolution be printed in the RECORD.

There being no objection, the resolution was referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

RESOLUTION OF THE LONG ISLAND FEDERATION OF WOMEN'S CLUBS, INC.

Whereas there is a plan in operation in our Nation today to establish metropolitan government, otherwise known as metro and other names such as annexation, etc., in 15 selected areas; and

Whereas metro all power of government will be transferred to a trained social scientist, council manager, city manager, et al., who will be appointed to the position; and

Whereas this is an infringement upon our constitutionally guaranteed right to choose our public officials through the ballot; and

Whereas metro is a dangerous scheme to destroy the constitutions of our various States and ultimately to force us into world government: Therefore be it

Resolved, That the Long Island Federation of Women's Clubs, Inc., in convention assembled this 20th day of January 1961, urges all citizens to study this threat to our representative form of government and to oppose it on all local, county, and State levels; and be it further

Resolved, That copies of this resolution be sent to the President of the United States; Governor of New York State; the mayor of New York City; New York senators and assemblymen; members of the New York City Board of Estimates; and all city councilmen.

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce, without amendment:

S. 681. A bill to authorize the Secretary of Commerce to enter into contracts for the conduct of research in the field of meteorology and to authorize installation of Government telephones in certain private residences (Rept. No. 46); and

S. 683. A bill to amend the Communications Act of 1934, as amended, by eliminating the requirement of an oath or affirmation on certain documents filed with the Federal Communications Commission (Rept. No. 47).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. ANDERSON (for himself, Mr. DOUGLAS, Mr. HARTKE, Mr. MCCARTHY, Mr. HUMPHREY, Mr. JACKSON, Mr. LONG of Hawaii, Mr. RANDOLPH, Mr. ENGLE, Mr. MAGNUSON, Mr. PELL, and Mr. BURDICK):

S. 909. A bill to provide for payment for hospital services, skilled nursing home services, and home health services furnished to aged beneficiaries under the old-age, survivors, and disability insurance program, and for other purposes; to the Committee on Finance.

(See the remarks of Mr. ANDERSON when he introduced the above bill, which appear under a separate heading.)

By Mr. MANSFIELD:

S. 910. A bill to amend the Civil Service Retirement Act so as to include as creditable service certain service performed by emergency relief project employees; to the Committee on Post Office and Civil Service.

S. 911. A bill for the relief of William H. Brownlee; to the Committee on the Judiciary.

(See the remarks of Mr. MANSFIELD when he introduced the first above-mentioned bill, which appear under a separate heading.)

By Mr. MANSFIELD (for Mr. EASTLAND and Mr. JOHNSTON):

S. 912. A bill to provide for the appointment of additional circuit and district judges, and for other purposes; to the Committee on the Judiciary.

By Mr. BEALL:

S. 913. A bill to provide for the regulation of fraternal benefit societies in the District of Columbia; to the Committee on the District of Columbia.

By Mr. BIBLE (by request):

S. 914. A bill to provide for more effective administration of public assistance in the District of Columbia; to make certain relatives responsible for support of needy persons, and for other purposes;

S. 915. A bill to provide for the administration of unclaimed funds held and owing by life insurance companies in the District of Columbia; and

S. 916. A bill to amend the act entitled "An act to establish a code of law for the District of Columbia", approved March 3, 1901; to the Committee on the District of Columbia.

By Mr. HILL:

S. 917. A bill to amend section 314 of the Public Health Service Act to provide a grant program for the prevention and control of dental diseases, and for other purposes; to the Committee on Labor and Public Welfare.

By Mr. CLARK:

S. 918. A bill for the relief of Ioannis Stylianos; to the Committee on the Judiciary.

S. 919. A bill to amend section 9(b) of the act entitled "An act to prevent pernicious political activities" (the Hatch Political Activities Act) to eliminate the requirement that the Civil Service Commission impose no penalty less than ninety days' suspension for any violation of section 9 of the act; to the Committee on Rules and Administration.

(See the remarks of Mr. CLARK when he introduced the last above-mentioned bill, which appear under a separate heading.)

By Mr. FONG:

S. 920. A bill for the relief of Aurelia Viernes; to the Committee on the Judiciary.

By Mr. HART:

S. 921. A bill for the relief of Martha Uchacz Barras; and

S. 922. A bill for the relief of Maria Gor; to the Committee on the Judiciary.

By Mr. CHURCH:

S. 923. A bill to authorize the Secretary of the Interior to replace lateral pipelines, line discharge pipelines, and to do other work he determines to be required for the Avondale, Dalton Gardens, and Hayden Lake Irrigation Districts in the State of Idaho; to the Committee on Interior and Insular Affairs.

(See the remarks of Mr. CHURCH when he introduced the above bill, which appear under a separate heading.)

By Mr. JAVITS:

S. 924. A bill to amend the Internal Revenue Code of 1954 to provide that the tax on admissions shall not apply to admissions to any live dramatic (including musical) performance; to the Committee on Finance.

(See the remarks of Mr. JAVITS when he introduced the above bill, which appear under a separate heading.)

By Mr. CHAVEZ:

S. 925. A bill to correct injustice by providing for back pay to certain officers as required by the act of September 14, 1922 (42 Stat. 840, ch. 307); to the Committee on Armed Services.

S. 926. A bill for the relief of Chyn Duog Shiah;

S. 927. A bill for the relief of Juan Chan Montiel;

S. 928. A bill for the relief of Mrs. Pilar S. Auad;

S. 929. A bill for the relief of Nikolas Katragazes (also known as Nick Katrys); and

S. 930. A bill for the relief of Manuel Auad; to the Committee on the Judiciary.

By Mr. CHAVEZ (by request):

S. 931. A bill to repeal that part of the act of March 2, 1889, as amended, which requires that grantors furnish, free of all expenses to the Government, all requisite abstracts, official certifications and evidences of title; and S. 932. A bill to amend the Bonneville Project Act, as amended; to the Committee on Public Works.

By Mr. JAVITS (for himself and Mr. KEATING):

S. 933. A bill to provide for granting employees of the postal field service time off for one State holiday each year; to the Committee on Post Office and Civil Service.

By Mr. BYRD of West Virginia:

S. 934. A bill for the relief of the heirs of J. M. Fidler; and

S. 935. A bill for the relief of Lillian Frank Slavi; to the Committee on the Judiciary.

By Mr. JAVITS:

S. 936. A bill to establish the U.S. Arts Foundation; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. JAVITS when he introduced the above bill, which appear under a separate heading.)

By Mr. JAVITS (for himself, Mr. COOPER, Mr. SCOTT, Mr. AIKEN, Mr. FONG, Mr. COTTON, Mr. KEATING, Mr. PROUTY, and Mr. SALTONSTALL):

S. 937. A bill to provide for a program of Federal matching grants to the States to enable the States to provide health insurance for individuals aged 65 or over at subscription charges such individuals can pay; to the Committee on Finance.

(See the remarks of Mr. JAVITS when he introduced the above bill, which appear under a separate heading.)

By Mr. BURDICK (for himself and Mr. YOUNG of North Dakota):

S. 938. A bill for the relief of the Kensal School District, N. Dak.; to the Committee on the Judiciary.

By Mr. LAUSCHE:

S. 939. A bill for the relief of Zlata Dumljan and Djuro (George) Kasner; to the Committee on the Judiciary.

By Mr. SCHOEPPEL (for Mr. CAPEHART):

S. 940. A bill for the relief of Roger Nal-Wheel Lee; to the Committee on the Judiciary.

By Mr. SMITH of Massachusetts:

S. 941. A bill for the relief of Ivo da Silva Almeida; and

S. 942. A bill for the relief of Dr. Perkins P. K. Chang (Chang Peng-Keng), and his wife Yu-lh Chuang Chang, and their two minor daughters, Jean Li and Jean Lh Chang; to the Committee on the Judiciary.

By Mr. LAUSCHE:

S. 943. A bill for the relief of Rolf E. Stolpner;

S. 944. A bill for the relief of Mr. Najm Boulos Rihani;

S. 945. A bill for the relief of Anton Urbancic and Antonia Urbancic; and

S. 946. A bill for the relief of Dr. Alexander Corpacius; to the Committee on the Judiciary.

By Mr. HILL:

S. 947. A bill to amend the transitional provisions of the act approved September 6, 1958, entitled "An act to protect the public health by amending the Federal Food, Drug, and Cosmetic Act to prohibit the use in food of additives which have not been

adequately tested to establish their safety," and for other purposes; to the Committee on Labor and Public Welfare.

RETIREMENT CREDIT FOR RELIEF AGENCY EMPLOYMENT

Mr. MANSFIELD. Mr. President, emergency relief agency employees who performed administrative work were considered to be Federal employees and received credit under the Civil Service Retirement Act for that service. Generally speaking, those who held project jobs were considered to be State employees and were not given retirement credit. However, the Civil Service Commission in its regulations has permitted employees who transferred from administrative jobs to project jobs to receive retirement credit for the project employment, but only if compensation for the project employment was at least \$100 per month and there was not a break of more than 3 days between the two types of employment.

The bill I have sent to the desk today would write the Civil Service Commission regulation into the law with one change—the maximum break in service would be 90 days instead of 3. The bill as drafted would cover only employees who performed both administrative and project service, and does not attempt to deal with the matter of bringing within the purview of the Retirement Act persons who had only project employment, or persons performing other types of State employment paid for out of Federal funds. Bills covering all or certain groups of these employees have been introduced from time to time and during the last Congress legislation was enacted (Public Law 86-568) providing for coverage of one of these groups, county ASC committee employees, under the Retirement Act.

Mr. President, I ask unanimous consent to have the language of this bill printed at the conclusion of my remarks.

The VICE PRESIDENT. The bill will be received and appropriately referred; and, without objection, the bill will be printed in the RECORD.

The bill (S. 910) to amend the Civil Service Retirement Act so as to include as creditable service certain service performed by emergency relief project employees, introduced by Mr. MANSFIELD, was received, read twice by its title, referred to the Committee on Post Office and Civil Service, and ordered to be printed in the RECORD, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3 of the Civil Service Retirement Act is amended by adding at the end thereof a new subsection as follows:

"(k) Credit shall be allowed for any period of employment as a project employee of an emergency relief agency if the employee (1) was transferred, without break in service of more than ninety days, to such employment from an administrative position under such agency within the same State and (2) received compensation for such employment at a rate not less than \$100 per month."

SEC. 2. (a) The amendment made by this Act shall apply to persons heretofore or hereafter retired, but no annuity shall be increased by reason of such amendment for any period prior to the first day of the month following the enactment of this Act.

(b) Notwithstanding any other provision of law, benefits under the Civil Service Retirement Act resulting from the enactment of this Act shall be paid from the civil service retirement and disability fund.

AMENDMENT OF THE HATCH ACT

Mr. CLARK. Mr. President, I introduce, for appropriate reference, a bill to amend section 9(b) of the Hatch Political Activities Act of 1939 to eliminate the requirement that the Civil Service Commission impose a minimum penalty of 90 days suspension and loss of one quarter of a year's salary for any violation of the act, regardless of whether it is of a minor or inadvertent nature.

The administration of the Hatch Act over a period of years has clearly demonstrated that this mandatory minimum penalty provision frequently results in an unjust hardship on the Federal employee and a burden on the Government agency which employs him.

The present minimum penalty is unfair to the employee because he must forfeit one-fourth of his annual salary—a large sum if one makes only \$3,600 per year—for any violation, no matter how trivial or involuntary. Reference to a few cases decided recently or now pending, will illustrate the type of person upon whom this penalty is falling.

Case No. 1: A Federal employee was a candidate for and elected to the position of election clerk, an office which in most States is nonpartisan. Because the position involved long hours and hard work on election days, and was looked upon in the community as a civic duty, the employee had no opposition and had held the position in several elections prior to becoming a Federal employee. For this infraction the employee had to forfeit one-fourth of his yearly pay and suffer a 90-day suspension.

Case No. 2: A postmaster, since October 2, 1933, authorized his name to appear in a political advertisement published in a local newspaper in July of 1953, endorsing his son as a candidate for the nomination for county attorney. Prior to the primary he helped string a political campaign poster announcing his son's candidacy from a second floor porch of the building which houses the post office to a point on the opposite side of the street. Penalty: 90 days' suspension; loss of 3 months' pay.

Case No. 3: A Federal employee announced his candidacy for the office of the justice of the peace and was elected to the post. After the election, it was brought to his attention that such activity was a violation of the Hatch Act, and he withdrew and never assumed office. Penalty: 90 days' suspension; one-fourth year's pay.

Case No. 4: A Federal employee of long standing was elected without opposition in 1947 to the office of township school director, and reelected twice in

1951 and 1957 by write-in votes. He was advised after the 1957 election that such activity might constitute a violation of the act and withdrew. Penalty proposed: 90 days' suspension without pay.

Case No. 5: A postal employee since October 1946 was a member of a reception committee in 1956 to welcome a former President of the United States as a principal speaker at a political rally held on October 29, 1956. Case pending.

I introduced an identical bill (S. 1061) in the last Congress and it was referred to the Senate Committee on Rules and Administration. The committee asked for comments by the Justice Department and the Civil Service Commission. The Department of Justice advised the committee by letter, dated April 23, 1959, that it had no objection to the enactment of the bill.

The Civil Service Commission advised the committee by letter of April 15, 1959, that it "wholeheartedly endorses the change which is provided for in the proposed bill."

I ask unanimous consent that the letter from the Civil Service Commission be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. CIVIL SERVICE COMMISSION,
Washington, D.C., April 15, 1959.

Hon. THEODORE FRANCIS GREEN,
Chairman, Subcommittee on Privileges and Elections, U.S. Senate.

DEAR SENATOR GREEN: This is in reply to your request of February 19, 1959, for recommendations and comments on S. 1061.

This bill would amend section 9(b) of the Hatch Political Activities Act (5 U.S.C. 1181 (b)) by striking out "Provided further, That in no case shall the penalty be less than 90 days' suspension without pay."

The effect of this amendment would make it possible for the Commission to assess a suspension commensurate with the offense constituting the violation. This would be in contrast to the mandatory minimum penalty of 90 days' suspension without pay now prevailing. The present minimum 90-day suspension without pay is unjust and inequitable. It forces too severe a penalty in the case of an unintentional or minor violation.

The present minimum penalty is unfair to the employee because he must forfeit one-fourth of his annual salary for any violation, no matter how small. This is a severe punishment for the average employee. For instance, a Federal employee earning \$3,600 a year, who solicited a few votes in behalf of a partisan candidate, is assessed \$900. As another illustration, a Federal employee announces his candidacy for the office of justice of the peace on a partisan ticket. After the election, it is brought to his attention that such activity is a violation of the act and he withdraws and does not assume office. For this violation, he must lose one-fourth of his annual salary.

The harshness of the penalty may also be a burden upon the employee's agency when that agency is denied the employee's services for a 90-day period due to a minor violation.

The Commission wholeheartedly endorses the change which is provided for in the proposed bill. The Commission also favors an additional amendment to section 9(b) which would eliminate the requirement that an employee who violates the section must be removed unless the Commissioners unanimously find that the violation does not warrant removal. As the present language of the act is now construed by the courts, it is necessary for the Commission to provide that

the initial decision in Hatch Act cases be made by an administrative officer with right of appeal to the Commissioners. Under the present language of section 9, the decision of the administrative officer must be removal of the offending employee for any violation, no matter how minor. Since only the Commissioners by unanimous vote can impose a penalty less than removal, it is necessary for all employees to appeal to the Commissioners to assure justice to themselves. The Commission's proposal is that the second proviso of section 9(b) be amended by striking the phrases "by unanimous vote" and "by direction of the Commission." The Commission's proposed amendment would make it possible for the Commission to delegate to its administrative officer the power to suit the penalty to the seriousness of the violation, thus requiring appeal to the Commissioners only in those cases in which the employee thinks the penalty imposed by the administrative officer was too severe.

The Bureau of the Budget has advised us that it has no objection to the submission of this report to your committee.

By direction of the Commission:
Sincerely yours,

ROGER W. JONES,
Chairman.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 919) to amend section 9(b) of the act entitled "An act to prevent pernicious political activities" (the Hatch Political Activities Act) to eliminate the requirement that the Civil Service Commission impose no penalty less than 90 days' suspension for any violation of section 9 of the act, introduced by Mr. CLARK, was received, read twice by its title, and referred to the Committee on Rules and Administration.

REPLACEMENT OF CERTAIN PIPELINES IN IDAHO

Mr. CHURCH. Mr. President, I introduce, for appropriate reference, a bill to authorize the Secretary of the Interior to replace lateral pipelines, line discharge pipelines, and to do other work he determines to be required for the Avondale, Dalton Gardens, and Hayden Lake Irrigation Districts in the State of Idaho.

On Bureau of Reclamation projects serving these districts, steel pipe distribution systems have proved defective. This bill would authorize the Secretary of the Interior to replace them. A portion of the cost, not to exceed the repayment capacity of the land served, as heretofore determined, would be borne by the irrigation districts; the remainder would come from power revenues.

There is urgent need for prompt replacement of these pipes, in order to prevent interruptions of service and I hope the bill I am introducing will have prompt and favorable consideration.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 923), to authorize the Secretary of the Interior to replace lateral pipelines, line discharge pipelines, and to do other work required for the Avondale, Dalton Gardens, and Hayden Lake Irrigation Districts in the State of Idaho, introduced by Mr. CHURCH, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

TAXES ON ADMISSIONS

Mr. JAVITS. Mr. President, I introduce, for appropriate reference, a bill to amend the Internal Revenue Code of 1954 to provide that taxes on admissions shall not apply to admissions to any live dramatic program, including musical performances. This is a bill which is sponsored in the other body by my colleague, Representative LINDSAY of New York.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 924) to amend the Internal Revenue Code of 1954 to provide that the tax on admissions shall not apply to admission to any live dramatic (including musical) performance, introduced by Mr. JAVITS, was received, read twice by its title, and referred to the Committee on Finance.

U.S. ARTS FOUNDATION

Mr. JAVITS. Mr. President, I introduce, for appropriate reference, a bill to establish a U.S. Arts Foundation to promote the study and the advancement of the performing arts throughout the United States.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 936) to establish the U.S. Arts Foundation, introduced by Mr. JAVITS, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

Mr. JAVITS. Mr. President, under the general supervision of a Director and a Board of Trustees comprised of 12 private citizens appointed by the President to serve 6-year terms, the Foundation would operate on a budget not to exceed \$5 million during its first year, and \$10 million annually thereafter. Endorsements of the legislation are attached. The U.S. Arts Foundation would be authorized to:

First. Provide financial assistance to nonprofit groups engaged in the performing arts including theatrical and musical performances, opera, dance, ballet, and choral recitals, and to encourage such presentations in all parts of the United States;

Second. Cooperate, assist, and sponsor international activities relating to the performing arts in consultation with the State Department, including the sponsorship of performances abroad;

Third. Establish and maintain registers of personnel and theaters in the performing arts;

Fourth. Foster and encourage civic and nonprofit private and public educational institutions or Government groups directly concerned with performing arts; and

Fifth. Conduct surveys of these performing arts.

At long last, Congress is on the verge of recognizing that the Federal Government has a responsibility toward the performing arts in our Nation that it can best fulfill in the role of a stimulator and coordinator of the artistic and cultural resources of the United States. New York now has a State program under the direction of the New York State Council on the Arts, set up under State

law, to encourage the arts. President Kennedy has evidenced his interest in such a program for the United States and, in fact, the 1960 Democratic Party platform proposed a Federal advisory agency to assist the expansion of our cultural resources. New York City and other municipalities are helping the arts. In Congress, the number of bills already introduced for this purpose since the beginning of this session is additional evidence of likely congressional action in this field.

The U.S. Arts Foundation, functioning on a modest appropriation of a few million dollars a year spent in conjunction with matching funds of other interested public or private agencies, could stimulate as much as \$50 million in non-government activity on behalf of our performing arts. I believe that national legislators are expressing heightened interest in such a proposal because of the marked increase in cultural activity at local and State levels. It has impressed upon them that a majority of the American people no longer view the performing arts merely as a "fringe benefit" of modern living squeezed into the entertainment category. We are coming to realize that cultural pursuits are not a luxury but a necessity in our free society as it continues to grow and develop in this space age. While our space missiles and satellites will continue to make headlines abroad, U.S. prestige received enormous benefits from the cultural exchange agreements and foreign tours by American artists like Helen Hayes, Marion Anderson, Van Cliburn, and Louis Armstrong, long before Discoverer I ever went into orbit, and it will continue to do so.

The legitimate expansion of Federal activity in many social and economic spheres in recent years has paved the way now for the Government to develop a partnership concept to help advance the arts through aiding local organizations and sending live performances into areas which otherwise would not receive them. As yet, a television set is no substitute for a family excursion to the theater or a concert or the ballet.

Nor is the desire to advance the arts through governmental participation new. In 1891 Congress established the National Conservatory of Music, which brought Anton Dvorak to this country; it was this American experience which inspired him to compose the New World Symphony.

In 1935 the American National Theater and Academy—ANTA—was chartered by Congress. Although its growth was seriously hampered by the coming of the war and by lack of funds, it is now directing with great success our international efforts in the field of music and the theater under the auspices of the State Department. In recent years, Congress established the permanent program of cultural exchange with other nations, granted a Federal charter to the National Music Council, and established a National Cultural Center in Washington, D.C.

Recognition of America's need for frequent performances of theatrical and other works in all parts of our Nation

and of the people's unabated desire for such performances prompted me in 1949 to introduce, while a Member of the House of Representatives, a resolution looking toward the establishment of an American National Theater and an American National Opera and Ballet. My present proposal is closely analogous to the British and Canadian Arts Councils which have done so much in their countries to stimulate the performing arts. It is my earnest hope that the present Congress will take cognizance of America's need for an active and expanded cultural life—a need which this bill attempts to meet.

The Foundation would be authorized to accept donations, to collect admissions charges and to utilize the services of volunteers, so that a minimum of appropriated funds would be required. It would have an appropriate number of committees composed of professional people and the general public covering the various aspects of the performing arts to remove any danger of uniformity due to governmental assistance. The panels would judge the artistic worth and cultural significance of works to be presented to determine if they are worthy of support by the Foundation.

An organization functioning in this manner makes baseless the fear of governmental control of the arts and its relatively small cost should cause little anxiety about the level of governmental expenditures. This is, indeed, one case where a drop in the bucket can help quench the cultural thirst of 180 million people.

I believe the U.S. Arts Foundation can enable us to look forward to the day when our Nation will be served by theater, opera, ballet, and music available in all sections of our land—so that no populated place is culturally starved—and the world will honor us for it. The soul of America will in this way be enabled to grow in keeping with the growth of our productive capabilities.

Mr. President, the theme of this bill, it seems to me, is uniquely timely. I bring it to the attention of my colleagues because I think the hour has struck when the United States should show its adulthood and take some interest in its own culture in a governmental way. It has now been demonstrated that this is entirely capable of being done without any distortion of our democratic processes. The plan which I propose to the Congress is precisely the same plan, in general detail, as is now in force in the United Kingdom through the British Arts Council, and in force in our sister democracy of Canada through the Canadian Arts Council. In each case, exactly the same thing is done.

No money is to be invested in bricks and mortar, but money is to be invested to cover the difference between what the box office will produce and what the productions cost, so that productions in the performing arts may be widespread throughout the country. In many parts of the United States we now have a cultural desert. When one is outside of New York, Chicago, San Francisco, or Los Angeles there is very little in the way of performance which

people have available, yet the difference between providing and not providing this cultural benefit in financial terms is often minuscule. We estimate it is between \$5 million and \$10 million a year. Even \$5 million a year will stimulate not less than \$50 million, because people are willing to pay to see these productions in the performing arts activities which are not otherwise available to the public.

This is my plan, which is modeled on the British and Canadian plans. The Senator from Minnesota [Mr. HUMPHREY], in response to what seemed to be the views both of President Kennedy and of presidential candidate Nixon, proposed a plan for an advisory council on the arts. The Senator from Pennsylvania [Mr. CLARK] proposed a plan for assistance to State organizations for the arts. I am proud to say that the State of New York has already authorized this procedure by law. We now have a council on the arts in our State.

I should like to tell the chairman of our committee, the Senator from Alabama [Mr. HILL], who is now present, that I shall support any plan the committee chooses. The whole question is before the committee. I shall be equally enthusiastic about whatever plan the committee chooses, even though I think sincerely my plan is the best. Let us get off the ground. We are the only civilized nation of any size or consequence on earth which does nothing about this in a governmental sense.

The Russians have gotten more benefit from sending Oistrakh, their violinist, the Bolshoi Ballet and the Moiseyev Ballet to the United States than they have from Sputnik I, yet we are faced with the concepts of the 18th and 19th centuries, when the development of culture was considered something improper for the Government to engage in.

Mr. President, I hope we shall have early hearings, whether they be on my bill or on any other bill, and that at long last we may get action.

Mr. President, I ask unanimous consent to have printed in the RECORD a proclamation of the Governor of New York, the Honorable Nelson A. Rockefeller, on this subject; and endorsements of my bill by Actors Equity, the American Guild of Musical Artists, and the distinguished composer Richard Rodgers.

There being no objection, the proclamation and endorsements were ordered to be printed in the RECORD, as follows:

PROCLAMATION OF STATE OF NEW YORK, EXECUTIVE CHAMBER, ALBANY

The growth of music in all its forms and of musical appreciation affords spectacular proof of the cultural progress of our country. This is particularly obvious in the Empire State. Both the city and the State abound in music schools of a very high order. The largest local of the American Federation of Musicians is also in New York City.

The American music conference has compiled an interesting collection of facts and figures on musical activity in the United States. According to its report there are more than 31 million amateurs in our country who play musical instruments for their own pleasure.

In 10 years these numbers have increased some 70 percent. There has likewise been a

steady increase in professional musicians. In short, there is more good music on the American musical scene than in any other country in the world.

The activities of the National Federation of Music Clubs are highly commendable. These thoughtful and vigorously directed organizations devote the month of February every year to the promotion and encouragement of performances of music by American composers.

This is a movement which deserves wide support. In spite of the great increase in music appreciation, and in the number of music lovers, there is need for encouragement of American composers.

Now, therefore, I, Nelson A. Rockefeller, Governor of the State of New York, do hereby proclaim the month of February 1961, as American Music Month in New York State.

NELSON A. ROCKEFELLER.

FEBRUARY 1, 1961.

Pleased be advised of our continued support of the arts foundation bill which you now are reintroducing in the Senate. It is our hope that passage at this session will become a reality. Please advise us how we may assist you in enactment of this important legislation.

RALPH BELLAMY,
President, Actors Equity.

FEBRUARY 1, 1961.

Mr. John Brownlee of AGMA and I personally heartily endorse your bill for the establishment of a U.S. Arts Foundation. * * * AGMA is wholeheartedly behind this bill and offers its help in any possible to aid adoption of the measure.

HY FAINE,
Executive Secretary, American Guild
of Musical Artists.

FEBRUARY 2, 1961.

Unless we are committed to being a manufacturing nation with no interest in the mind or heart you should press with all vigor the establishment of the U.S. Arts Foundation to help further the efforts of those who have minds and hearts.

RICHARD RODGERS.

Mr. JAVITS subsequently said: Mr. President, in accordance with the current practice of the Senate, if no other Senator wishes to be recognized, a Senator who has previously spoken may, I understand, be recognized for another 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. I should like to complete what I was saying with respect to the subject of a cultural program with some support from the U.S. Government on the part of our country. In pursuance of the same idea I am glad to announce that a bill identical with the one I have introduced will be introduced in the other body by Representative HALPERN, of New York.

Mr. President, one of the points which has been very much discussed in respect to this whole idea is whether or not to include with the performing arts the visual arts. Such is the practice in both Canada and the United Kingdom and though my bill does not call for it as I am introducing it today, I intend to submit an amendment to the bill in order to include the visual arts, because I think that area is equally important. It is a base of support that should be obtained for this kind of legislation, and I find it accepted in the other approaches which

have been designed to meet this subject, and so I think it should be in mind.

Finally, I should like to conclude upon this note. It is very easy to dismiss this subject as being a cause for the "long hairs" and a subject not entitled to the serious consideration of Congress. But anyone who saw the reception accorded the great artists of our country, such as Van Cliburn in Moscow, the reception accorded Marion Anderson in India, the reception which the two ballets that I talked about a minute ago were given in this country, the reception given the Russian violinist Oistrakh and the pianist Gilels in this country and many countries in South America, will realize that we are deliberately foregoing by archaic and old-fashioned ideas one of the most effective instruments in the hands of mankind today, first, to assert the efficacy and the virtues of our free institutions, and, second, to make human beings throughout the world feel that we are people who deserve to be followed, who deserve to be trusted, who have creative ideas and are seeking a life of peace and fruitful living for all peoples everywhere.

Though it is sad that we must put the question on that basis—and yet it seems to me this subject is perhaps the one thing many people will understand—I know of few more important and decisive weapons even in the cold war than the employment of this weapon of culture—effective, powerful, and true—and I hope at long last, with all the bills which have been introduced converging with the attitude of the President, that Congress will act upon this subject.

EXTENSION OF VETERANS AND ARMED FORCES DAIRY PROGRAM—ADDITIONAL COSPONSOR OF BILL

Under authority of the order of the Senate of February 9, 1961, the name of Mr. LONG of Missouri was added as an additional cosponsor of the bill (S. 835) to amend section 202 of the Agricultural Act of 1949, as amended, in order to permanently extend the veterans and Armed Forces dairy program, introduced by Mr. PROXMIRE (for himself and other Senators) on February 9, 1961.

NATIONAL EXPORT POLICY ACT OF 1961—ADDITIONAL COSPONSORS OF BILL

Under authority of the order of the Senate of February 9, 1961, the names of Mr. KEATING and Mr. SALTONSTALL were added as additional cosponsors of the bill (S. 852) to encourage and promote the expansion through private enterprise of domestic exports in world markets, introduced by Mr. JAVITS (for himself and Mr. CASE of New Jersey) on February 9, 1961.

SMALL BUSINESS INVESTMENT COMPANIES

Mr. SPARKMAN. Mr. President, last Thursday I introduced two bills con-

cerning small business investment companies. Today I would like to explain why these bills—S. 902 and S. 903—are needed, and to analyze the provisions of each of them.

Our national economy is dangerously stalemated. Congress, by a few legislative changes and the injection of a relatively small amount of additional funds, could do much with the existing programs of the Small Business Investment Act to stimulate the economy. These programs—licensing and lending to SBIC's and making State and local development loans—are in being now. They require no basic new authority. Simple amendments improving opportunities for SBIC's and extending authority for making State and local development loans would involve no grants in aid. Each of these programs is operated on a loan basis and the loans will be repaid with interest at 5 or 5½ percent. Furthermore, tabulations have been made showing that for each dollar of Federal funds invested in small business investment companies, \$10 of private investment has been stimulated. Every time the Government makes a local development company loan, local borrowing groups must put in funds of their own, and the small business tenant of the building must expend the necessary capital funds to get the plant in operation. Thus, all of these expenditures of public and private funds under the loan program to local development companies add an effective stimulus to the economy.

Our first bill will be concerned directly with strengthening the provisions of the act. The second bill will contain tax amendments to make investments by SBIC's and ownership of SBIC stock more attractive.

Many of us have great hopes for the Small Business Investment Act. However, the program of licensing small business investment companies was very slow in beginning. By January 1, 1960, only 61 SBIC's had been licensed. Therefore, the small business committee decided to conduct hearings to determine what improvements in the act and in its administration could be made to increase the number of operating SBIC's. Our report to the Senate at the conclusion of those hearings contained several recommendations for amendments to the act and to pertinent provisions of the Internal Revenue Code. Near the close of the session, I introduced two bills to carry out the recommendations of the committee. Although the bills were offered too late to be considered by the appropriate committee, and by the Senate, I felt that they should be available for study and review.

It is my purpose today to reintroduce these bills with some changes and further improvements. The first of the two bills, dealing with the Investment Act, itself, has as its initial provision the authority for SBIC's, including those now in operation, to obtain up to \$1 million of their capital from the Small Business Administration in exchange for subordinated debentures of the SBIC's. These funds would be on a matching basis, as they are now. However, the

present limitation is \$150,000 of capital funds from SBA. The second provision would permit SBIC's under section 303 (b) of the act, to borrow from SBA funds equal to their capital and surplus. Currently, SBIC's are limited to borrowing from SBA one-half the amount of their capital and surplus.

These first two amendments would give SBIC's substantially greater leverage in their operations. Witnesses informed us at our hearings that the minimum size firms were able to obtain the most advantageous leverage, that is, borrowing a larger ratio of SBA funds in relation to equity investment, but that they were too small to be operated at a profitable level. The new legislation would encourage the formation and growth of SBIC's with a capitalization of \$1 to \$5 million rather than continuing to encourage SBIC's to remain small. These provisions would apply to existing SBIC's, as well as new ones.

The third amendment would permit SBIC's to participate with any other investors in advancing equity capital to small business concerns.

The fourth amendment contained in this act would make it clear that SBIC's may lend in participation with the Small Business Administration and with other investors, public or private, incorporated or unincorporated. SBA has not permitted SBIC's to participate with the Agency in making loans to small business concerns. However, I see no reason why SBIC's should not participate with SBA or anyone else in financing small business concerns.

The next amendment is a technical amendment making it quite clear that SBIC's may participate with other lenders or investors in supplying services to small business concerns.

Our next amendment would permit SBIC's to invest in obligations that are insured by instrumentalities of the Government. Currently, SBIC's are permitted to invest their funds not reasonably needed for their current operations only in direct obligations of, or obligations guaranteed as to principal and interest by the United States. This is unduly restrictive on SBIC's and limits them to a low rate of return on funds that may be temporarily uncommitted.

Certainly, no SBIC is going to leave its funds unnecessarily idle or commit them to low-bearing Government securities when it has a suitable opportunity to invest them in higher yielding obligations of small business concerns. Permitting SBIC's to invest in Government-insured obligations will not encourage them to withhold loans and capital from small business concerns, but it will make it possible for them to earn a somewhat improved return on funds not currently committed to small business concerns.

The next amendment would permit any SBIC to grant restricted stock options to officers and employees. The Small Business Administration has published regulations permitting the granting of stock options, but the Investment Company Act of 1940 prohibits these options in publicly held SBIC's. This

limitation will make it increasingly difficult for some SBIC's to employ competent and talented executives when they must compete against other private enterprises that have the right to grant such stock options.

The final amendment to the Small Business Investment Act posed by my bill would remove the expiration date for the authority contained in section 502 of the act. Under this section, the Small Business Administration is authorized to make loans to State and local development companies for the purpose of constructing manufacturing and industrial facilities. With this authority SBA has made some 75 loans to communities throughout the Nation. These loans have assisted those communities to construct plants for needed industries. In the early months after the Small Business Investment Act was passed, SBA did nothing to publicize the provisions of section 502. Consequently, practically all of the loans made under section 502 have been made since the spring of 1960. Actually the program is just getting under way, and it would be a tragic error, in my judgment, if authority for the program were permitted to expire.

The first Internal Revenue Code amendment in our tax bill to lend greater encouragement to small business investment companies would permit these companies to establish reserves for investment losses and to add to those reserves each year.

The second amendment would permit SBIC's to establish reserves for bad debts arising from their lending activities. Some other lending institutions are permitted to establish such reserves. It seems to me that the SBIC's with their element of high risk should also be permitted this privilege.

Our third tax amendment would grant SBIC's an exemption from the accumulated earnings tax on earnings reinvested to provide additional financing for small business concerns.

The next tax amendment would clarify legislation which we passed in the 86th Congress to exempt SBIC's from the surtax on personal holding companies. It appears from informal statements of Internal Revenue personnel that the exemption might be construed so that stock of a small business concern acquired by an SBIC could be attributed, by imposition of a constructive ownership rule, to a stockholder of the SBIC. I believe such a construction would totally nullify the exemption granted by Congress. The amendment will leave no doubt on this subject.

The fifth amendment would permit the small business investment companies to pass through their earnings to their stockholders without the imposition of the corporate tax. This privilege is now conferred on investment trusts under section 851 of the Internal Revenue Code. It seems to me quite reasonable that SBIC's which are basically investment trusts should have this same privilege.

The sixth amendment is a technical amendment to make the tax provisions correspond to the substantive provisions

of the Small Business Investment Act. In 1960, we amended the Small Business Investment Act to permit SBIC's to invest in other equity securities of small business concerns in addition to convertible debentures. However, the related tax section, section 1243 of the code, has not been amended. The amendment would make a loss on any type of SBA-authorized equity security subject to treatment as an ordinary business loss.

The final amendment would permit a subchapter S corporation, otherwise known as a tax option corporation, to have a small business investment company shareholder and still not lose its status as such a tax option corporation. Present law provides that only individuals and estates can be shareholders of an eligible subchapter S corporation. However, SBIC's, by their investment in convertible debentures and other equity securities, may often become stockholders of subchapter S corporations, and, therefore, should, for the benefit of subchapter S firms, be permitted to own the stock without depriving these small firms of their special Federal tax status.

With these amendments to the Small Business Investment Act and to related tax provisions, the Congress can make sure that the small business investment program and the program of SBA loans to State and local development companies will go forward successfully. In so going forward, these programs will provide a substantial part of the immediate stimulus needed by the economy.

I may add that last Thursday, when I introduced the bills, I asked that they be allowed to lie on the table for 1 week for additional sponsorship. I hope some Senators will become interested in the legislation, which I think will be most helpful to the small business economy, and will join in cosponsoring these measures.

TWELFTH ANNUAL PANCAKE RACE AT LIBERAL, KANS.

Mr. CARLSON. Mr. President, the 12th annual pancake race of Liberal, Kans., will be run tomorrow. This great goodwill event between the housewives of Liberal, Kans., and Olney, England, is always held on the Tuesday before Ash Wednesday.

The race is sponsored by the Junior Chamber of Commerce of Liberal for the promotion of international relations between England and the United States.

It is based on competition between the young ladies of Olney, England, and Liberal, Kans.

Some years ago Liberal heard of this 500-year event of pancake racing over a 415-yard course from the town pump to the church. The city of Liberal challenged the women of Olney, England, to this race, and it was accepted by Rev. R. C. Collins, vicar of Olney.

In old England, it was customary for the housewives to drop whatever they were doing and hurry to the church at the tolling of the bell to be "shriven" of their sins. In 1445, a wife in Olney, England, started baking her pancakes

rather late. They were not quite finished when the church bell rang, but she hurried off to the "shriving" carrying her griddle and pancakes with her. Thus an annual sporting event was born.

I am inviting the members of the U.S. Senate and their staffs and the press to be my guests tomorrow for breakfast in the Senate dining room and the Senate cafeteria, where they will be served the finest pancakes in the world, made from the finest flour in the world, furnished by the Liberal Junior Chamber of Commerce, directly from the "Pancake Hub of the Universe."

Miss Monzelle Emberton will be in Washington representing the Liberal Junior Chamber of Commerce.

ADDRESS BY PRESIDENT HAROLD C. CASE, OF BOSTON UNIVERSITY

Mr. CARLSON. Mr. President, President Harold C. Case, of Boston University, a native Kansan, was a guest speaker on January 29—Statehood Day in Topeka, Kans.

His address, entitled "The Past Is Prologue," was delivered at a citywide religious service in Topeka Municipal Auditorium at the invitation of the Shawnee Statehood Day Committee.

This excellent address was most timely, in that it not only reminded us of our rich heritage as Kansans, but also gave great hope for the future.

I ask unanimous consent that the speech be made a part of my remarks.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

THE PAST IS PROLOGUE

On entering the Library of Congress in Washington, D.C., one comes on an impressive adage carved in stone. It reads, "The Past Is Prologue." At first glance this saying seems to reverse life's normal direction. How could the past be the introduction to anything? On reflection, however, we recognize yesterday's events as forerunners of tomorrow's trends. The past is prologue. We must know history if we are to make history.

A centennial celebration is best understood as vivid awareness of our heritage in order to become strongly and wisely motivated to create an even better future. Properly understood, such events serve not so much for self-congratulation as for self-discipline.

It is pleasant to sing praises of Kansas, to consider the wealth of its soil, the bracing quality of its climate, the sturdy character of its pioneers, and the capacity of its early settlers for being first in the support of important causes.

We recall the first white man, Coronado, who came in quest of gold; the first pioneers who came in search of homes; the first trappers bound for Santa Fe; the Mormons for Deseret; the immigrants en route to the Northwest, the religious leaders, reformers, politicians, scoundrels, and idealists. We may remember the changing panorama of Kansas, the struggles between free and slave forces, the era of the cowboy, the settler who made the prairie blossom as a rose. They have been dramatized in history, legend, poetry, and song.

Life was hard for the first settlers. There were border wars, droughts, floods, grasshoppers, prairie fires, blizzards and dust-storms. Yet they stuck it out. One old folksong tells why. It says:

"We do not live but only stay,
We are too poor to get away."

Yet not only were these unfriendly elements part of the Kansas scene, they actually formed the route to the stars of their ideals through the difficulties of their days. From the crucible of hardship they forged robust character. They laughed at problems, sang heartaches away, and made an adventure of living. Out of this background came a rigorous code of ethics and bold support of truth. One wonders whether comfort recreates the best qualities formed by hardship.

Progressive movements emerged; the anti-slavery crusade, woman suffrage, equal rights, the Populist Party, prohibition, free silver. So creative were our forebears in conceiving new ways to live, that Kansas became a synonym for radical ideas. Many of the so-called leftwing movements of a century ago have become law and are now the framework of conventional society.

Overland freighting on western trails was big business. From the discovery of gold in 1849 to the driving of the last spike of the Union Pacific Railroad in 1869, thousands of wagon trains hauled millions of dollars worth of goods and hundreds of thousands of people westward, toward tomorrow and new hope.

Drivers of ox teams, known as bull whackers, were experts at whip throwing and swearing. One day a bull whacker entered a wagon train office in Topeka and asked for a job.

"Can you drive oxen?" the employer asked.

"Yep," said the bull whacker, "I can drive oxen to hell and back."

"Well, well," replied the freighter, "then I can't use you because our line doesn't stop at that point."

Dried apple pies were served at inns from end to end of the stage lines. They became tiresome and one pioneer teamster wrote about these pies:

"I loathe! abhor! despise!
Abominate dried apple pies.
I like good bread; I like good meat,
Or anything that's good to eat.
But of all poor grub beneath the skies
The poorest is dried apple pies."

In 1854 a very important link between New England and Kansas was established. The Kansas-Nebraska bill opened land to settlers. The Massachusetts Emigrant Aid Co. was chartered. The first colony, led by Dr. Charles Robinson, arrived beside beautiful Mt. Oread and established the town which was to be known as Lawrence, after a Massachusetts family and city.

In that first colony of 29 men, there were 10 mechanics, 5 farmers, 2 merchants, 1 architect, 1 banker, 2 doctors, and a lawyer. They came prepared for any eventuality. The second colony of settlers, including wives and children, numbered 4 musicians. Before departing from Boston, they sang Whittier's Hymn of the Kansas Emigrant. Another, written especially for them began:

"We'll seek the rolling prairie,
In regions yet unseen,
Or stay our feet unwearied,
By Kansas' flowing stream.
And there with hands unfettered
Our altars we will raise,
With voices high uplifted
We'll sing our Maker's praise."

The first winter they lived in canvas tents, log houses, shake houses, and hay tents. They chose a beautiful site on the south bank of the Kaw River and named it Topeka, meaning "potatoes", and sometimes referred to by jealous pioneers of other towns as "small potatoes."

Religion was given permanence by the pioneers. Churches were established; camp meetings flourished. Methodist, Baptist, Congregational, and other churches were organized. Every Kansas community was hard-living and God-fearing.

Education was organized by immigrants as soon as they reached Kansas. They infused their new life with learning. At first, there were private schools, the Topeka Academy for one; then by the act of territorial legislature in 1855 "a system of free common schools" was launched. Colleges followed: Highland College, a Presbyterian institution, and Baker University, founded by the Methodists in 1858; a free university atop Mount Oread, in 1864.

Statehood. One hundred years ago today. How thankful we should be for all of the good and great influences that have combined to produce Kansas, our climb "to the stars through difficulty."

But the past is prologue. What about the future? The curtain is rising on the drama itself. Kansas is established, settled, financed; it has tools, government, industry, arts, education.

Like every manifestation of vitality, democracy is many-dimensional. The floor under it is food and clothing and shelter. Men and women and children well cared for of body are not looking for "pied pipers" whose music is the minstrelsy of coercion and violence and doom. Yet no humans really live by comfort or for conveniences.

People inhabit bodies and are spirits. They are oriented upward as truly as a falling stone responds to the pull of gravity. We tread the earth with our feet, but we will fill our lungs with the ozone of imagination. We buy and trade commodities so that we may think, read, talk about, and dream of immensities. We do simple deeds, hoping for exalted results. Occasionally we produce a hero. Then we all take courage and renew our faith.

There is a push from beneath, the warming soil to the swelling seed, but there is also a pull from above. Ideals are glints in darkness, lighting up the sky, and their comet-like trails glow luminously and draw men upward to nobility. It is remarkable that exactly a century after men launched their state with a starlit vision, astronauts are preparing for the first manned satellite to a planet.

It is more satisfying to be pulled by vision than to be pushed by passion.

Beauty alone redeems duty from desperation to dedication.

Together, on this 29th day of January 1961, exactly 100 years after our great-grandparents and their children established a State in this territory, we have come together to revivify, in the face of mounting danger, new, atomic, and planetary, the vision of life which for centuries has brightened the prospects of man.

That we may become so unified of energy and so disciplined in character that we will both gladly live and nobly die, is a faith in the light of which the past is but prologue—a vivid promise of vital future days to come.

In this dramatic moment in history, filled alike with portents of disaster and promises of fulfillment, we cannot afford the luxury of complacency. It is compounded of disdain and distrust. It is the mood of a silly French queen, saying of her subjects as they storm the Bastille demanding food, "If they don't have bread, let them eat cake."

Complacency is the spirit of the privileged person who assumes that people are poor because they are inferior. It is the mood of the alarmist who complains because bins are piled high with surplus grain but feels no compulsion to contribute this food to starving people.

We live in a forcing hour, in a cosmic hothouse—swifter flight, more rapid change, more significant transition, more prospects of independent nations than ever before in history. Electronics have made the planet a vast whispering gallery. Every critical act is relayed from anywhere to everywhere else on earth, within minutes. Down the pathways of every jungle have gone the whispered

messages of hope, of independence, of self-reliance, of leadership.

So, between the tensions of anxiety and the viewing with alarm and the escapes of complacency with their self-deceptions, there is another posture for people with a history who would face the future resolutely. In it, there is the resources of the mind. Intellect separates man from all other animals for it brings the capacity to think, to evaluate, to create, to decide, and to act.

This is an age of education. Thirty-five percent of our college-age young people are now enrolled in institutions of higher learning. This number will probably double in the next decade. In order to recruit leaders, provide facilities and equipment, I predict that we shall double our educational budgets in the Nation in the next 10 years. If this seems excessive, remember that we are now spending 4 percent of our total national product for education in all forms. While Nigeria, a newly independent Republic in Africa, is spending 45 percent of its national product for education.

It is a question finally of the value we place on the life of the mind. Not only do we require more and better formal education—elementary, secondary, and higher, but informal education must impel mature citizens everywhere to seek new knowledge, to evaluate more objectively, and to reach decisions of importance, not on the basis of prejudice but with the support of facts.

Man's most distinctive quality is his ability to adapt and recreate. This capacity exists in all living things. The maple knows how to wrap its roots around the rock; the grass to retain moisture in the soil; the amoeba to withdraw from danger in a drop of water, and the salmon to find its way up its own river to the spawning ground. The swallow knows how to return on schedule to Capistrano; the elk to bugle to its mate; the grouse to perform a mating dance, and the seeing-eye dog to exhibit loyalty to its master.

Awareness is everywhere. But in man it is uniquely expressed. Man alone knows the meaning of time, the difference between youth and age, the distinction between good and evil. He experiences, learns, remembers, and interprets. He is student, scholar, lover, politician, parent, researcher, and citizen. He establishes relationship between two unrelated ideas. A mother croons a lullaby to her baby. A poet writes lyrics of love. A statesman serves his country. This capacity for understanding and valuing distinguishes man from growing grass, spawning fish, and migrating birds and enables him to gain reverence for life.

But no mere glory from the past will light up the present or survive in the future unless religious dedication joins with disciplined effort in this generation.

To awareness, tomorrow's builders must add dimensions. Great objectives extend one's grasp. This is the meaning of the conviction of the Judeo-Christian tradition that "man is created in the image of God." Picturing oneself as obligated to become Godlike in character, the least person among us can perform the greatest deeds. A Maid of Orleans can reaffirm her voices though they consign her to the flames. Marie Curie can declare, "None of us can do much, but each of us can do something." * * * Take the torch of knowledge and of wisdom and build the palace of the future." This is the spirit of Tom Dooley in Laos and Albert Schweitzer in Equatorial Africa. On rare occasions we have been pulled by such large goals. To vindicate our heritage, this pose must become habitual.

We should learn from our past that the common people possess uncommon qualities. Carl Sandburg, in "The People," "Yes," says:

"Between the finite limitations of the five senses and the endless yearnings of man for the beyond

The people hold to the humdrum bidding of work and food while reaching out when it comes their way.

For lights beyond the prison of the five senses, for keepstakes lasting beyond any hunger or death."

This uncommon capacity, striving for the timeless, reaching for keepsakes that last beyond any hunger or death, reveals the true stature of a person and foretells, by his scarcity or plenty, the prospects for civilization.

In a recent issue of Harper's magazine, John Fisher writes about an "innocent-sounding but dreadful book published in England with the bland title 'Uncommon People.'" It sounds like a tedious genealogy. Actually it is an exciting drama. George Villiers was an undistinguished farmer who lived through the reign of Queen Elizabeth I in comfortable obscurity. Yet his record, as noted in the deeds of his descendants, mark him as one of the greatest men of all time. His descendants have been running England most of the time for the past 300 years. Among them are Sir Winston Churchill, Queen Elizabeth II, the Duke of Marlborough, the two noted Pitts. The author says that they collect honors the way a blue serge suit collects lint. A list of their names is like a rollcall of cultural chieftains—Salisbury, Stanley, Stanhope, Cavendish, etc.; but also Bertram Russell, Henry Fielding, Quakers, abolitionists, industrialists, statesmen. Among their greatest qualities are outreach for the uncommon, striving for the timeless, setting cosmic dimensions to their performance, and joining the procession of the great.

Uncommon people are all around us. We must learn to identify, recognize, and honor them. Some time ago I came across such a man. He lived in a one-room house along a country road in New England. He is a woodcutter. Having finished his house, except for one side which promises a second room, he has painted it white and installed a picket fence around it. It was noon on a Sunday. He was sitting in front of his house on an antique chair, wearing a white shirt, accompanying himself to folksongs with a tiny accordion. He could wield an ax to fell a tree. He also knew distilled folk wisdom, deeper than knowledge of scholars. There was greatness.

It is all around us. It requires recognition and support. This is our task.

These are individual responsibilities. But there are collective obligations. Kansas pioneers came to these Great Plains, not in order to escape from something, but to discover something else. They were broadening the concept of a nation, extending the boundaries, pushing back the frontier. Our land has been explored and settled, but the frontier has no limit. Once the outpost of reality was the next township. Now it is the nearest star. Then there were few neighbors. Now the world troops over, around, and into our living rooms. Then we could insulate ourselves. Now a Kansas flier comes home from a Soviet prison—having done reconnaissance for this Nation. He was not a mere Kansan—he was an American. His findings are important not only in Washington but also in Kansas.

Fourteen new nations have been admitted to the United Nations within the past year. If all the emerging countries of Africa included in this group should make permanent alliances with the Soviet bloc of nations, in theory, we of the West could never again win a decision in the Security Council of the United Nations. On the other hand, if all of them should decide to ally themselves with the democratic countries, the Soviets could not win another decision in that world body.

Does this affect you, a resident of Kansas? It decides about your taxes, the draft, and

your son's life, the viability of the American economy and the worth of your dollar or your investment or your job. It is the key to the health of your society—and mine. There is no place to hide.

In the Middle West there is a subtle temptation to insulate oneself from world problems. Let it be said tonight that to resist that impulse and to be involved wisely is the key to tomorrow.

Deep concern about world problems, citizenship on a planetary scale, is a sober obligation of every Kansan. In the writings of the Apostle Paul, there is a worthy text for all of us. He says, "I beseech you, therefore, by the mercies of God, to present your bodies a living sacrifice, holy, acceptable unto God, which is your reasonable service." This is your clue—if you would make the inspiring past a promising prolog to a magnificent future.

TRIBUTE TO DR. TOM DOOLEY BY DR. FREDERICK BROWN HARRIS

Mr. HILL. Mr. President, the Senate's esteemed Chaplain, Dr. Frederick Brown Harris, always writes beautifully, but yesterday for his column, *Spires of the Spirit*, published in the *Sunday Star*, he wrote a singularly beautiful and eloquent tribute to the late Dr. Thomas J. Dooley.

Dr. Dooley's life as a heroic ambassador of friendship for our country and a noble humanitarian ministering in a foreign land to unhappy people, sick, diseased, and suffering, is a lesson and a challenge to each of us.

Tom Dooley brought hope where there seemed to be no hope, he brought light where there was darkness, he brought relief from pain and anguish, and he saved many lives where death hovered close. His words, written in his last days, telling of his spirit and of his faith, and quoted by Dr. Harris, confirm to us the truth of the old Greek philosopher, who declared, "One cannot get closer to God than to give health to one's fellow man."

Mr. President, I pay my tribute to the life, the works, the magnificent courage, and the gallant soul of Tom Dooley, who so truly walked in the footsteps of the great physician; and I ask unanimous consent that Dr. Harris' column may be printed at this point in the *RECORD*.

There being no objection, the article was ordered to be printed in the *RECORD*, as follows:

[From the *Washington Star*, Feb. 12, 1961]

SPIRES OF THE SPIRIT—MILES TO GO

(By Dr. Frederick Brown Harris, Chaplain of the U.S. Senate)

Goodness is the most attractive thing in all the world. Helping others void of the alloy of self is the most fascinating spectacle earth affords. Goodness expressing itself in selfless service is an irresistible combination. That is why in an acquisitive age piled high with material gains, with names galore in the "Who's Who" of success, the name of Dr. Albert Schweitzer, who has given his life to suffering humanity, leads all the rest. His working day has now stretched into the 80's and even the modern world, with its mania for getting, sensing that he has chosen the better part, bows at his feet and exalts his healing hands, and acclaims him as perhaps the greatest human now alive.

It is because the same glory that for so many years has flamed the African hospital, has recently shone in the service of another doctor—now dead at 34—that the name of Dr. Tom Dooley suggests to millions a blazing

meteor flashing across the sky of uncalculated altruism. In the midst of sordid surroundings of misery and brutality on the other side of the world from where he was born, this Missouri boy has been hailed not as the "Ugly American" but as the "beautiful" American. Dr. Dooley in his brief but intense service to the want and woe of the Asian jungles did infinite things for those for whom his care, his medicine, his hospitals, snatched life from the clutches of death. What he was and what he did came as a divine relation to many reveling in the soft luxuries of the West. As an editorial on his life truly put it: "His boyish enthusiasm, his zest, maintained even during his fatal illness, marked him as one of the rare people who reflected the goodness of God and the fulfillment of human potentials for selflessness."

Tom Dooley ended his work at approximately the same meager age span as did "Man's Best Man." We are reminded that the greatest life ever lived came to its earthly close at 33, but that One hanging dead on two crossed beams of wood before He was 34 had invaded more realms, inspired more endeavor, influenced more lives, and captured more hearts than any other person who has ever lived.

How little the incident of one's obituary has to do with the total record. Emerson once remarked: "We do not count a man's years until he has nothing else to count." Alexander the Great conquered the known world and died before he reached the age when cancer took Dr. Dooley. Raphael had decorated Rome with immortal masterpieces and was in his grave in his 34th year. If Thomas Jefferson had died at 34, he would still be the author of the Declaration of Independence. Much is made in this day of health assets in adding years to life. It is a tremendously greater thing to add life to years—that Dr. Dooley did in a way to win the world's grateful applause.

From his early years he had loved the verse of Robert Frost:

"The woods are lovely, dark and deep,
But I have promises to keep,
And miles to go before I sleep,
And miles to go before I sleep."

Yes, he had promises to keep as he extended the benefits of American medicine to the neglected corners of the earth. He had miles to go, and he went miles and miles before he kept the faith and finished his course at 34. He had miles to go in healing the sick, comforting the afflicted, and harboring the homeless before he slept.

He knew that he was on the last mile when 47 days before the end, racked by pain of the malignancy which slew him, he wrote a letter from the jungles of Laos to the president of Notre Dame where he had spent a year in the 1940's as a premedical student. Fond memories of his months in that great institution of learning were fitting through his drug-dulled brain. He felt a compulsion to write to Dr. Hesburgh, the president. To do so he contrived a way of "pumping up the bed a bit, and getting to my typewriter." He states that his cancer was "acting up and though I lack a certain buoyancy in my bones, just now I lack none in my spirit."

As he wrote he was evidently thinking of his hospitals around the world and of the 94 doctor friends who were raising funds for his loved projects. Then comes a superb statement of his religious faith as the fiery affliction was spreading—"I think of one Divine Doctor and my own personal fund of grace. The storm around does not matter—the winds within do not matter. Nothing human or earthly can touch me—a wilder storm of peace gathers in my heart—what seems unpossessable I can possess. What seems unfathomable, I can fathom. What is unutterable, I can utter—because I

can pray—I can communicate. How can people endure anything on earth if they cannot have God?"

What can one say after a victorious valedictory like that—except perhaps to quote the verse of an old hymn:

"O may I triumph so,
When all my warfare's past,
And dying find my latest foe
Under my feet at last."

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to consider executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. SMITH of Massachusetts in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORT OF A COMMITTEE

The following favorable report of a nomination was submitted:

By Mr. STENNIS, from the Committee on Armed Services:

Paul Burgess Fay, Jr., of California, to be Under Secretary of the Navy.

The PRESIDING OFFICER. If there be no further reports of committees, the nominations on the calendar will be stated.

UNITED NATIONS

The legislative clerk read the nomination of Charles W. Yost, of New York, to be a deputy representative of the United States of America in the Security Council of the United Nations.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

DEPARTMENT OF STATE

The legislative clerk read the nomination of George C. McGhee, of Texas, to be Counselor of the Department of State.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

DEPARTMENT OF DEFENSE

The legislative clerk read the nomination of Carlisle Piehl Runge, of Wisconsin, to be Assistant Secretary of Defense.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

FEDERAL COMMUNICATIONS COMMISSION

The legislative clerk read the nomination of Newton N. Minow, of Illinois, to be a member of the Federal Communications Commission for the unexpired term of 7 years from July 1, 1954.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Newton N. Minow, of Illinois, to be a member of the Federal Communications Commission for a term of 7 years from July 1, 1961.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

DISTRICT OF COLUMBIA REDEVELOPMENT LAND AGENCY

The legislative clerk read the nomination of Neville Miller to be a member of the District of Columbia Redevelopment Land Agency, to fill the unexpired term of James E. Colliflower, resigned, whose term expires March 3, 1961.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

WELFARE STATE

Mr. MANSFIELD. Mr. President, in the CONGRESSIONAL RECORD of February 2 there were allusions to remarks attributed to Arthur Schlesinger, Jr., concerning the welfare state. I ask unanimous consent that I may be permitted to have printed at this point in my remarks in the RECORD a letter received from Arthur Schlesinger, Jr., special assistant to the President, dated February 4, 1961.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, D.C., February 4, 1961.
Hon. MIKE MANSFIELD,
U.S. Senate,
Washington, D.C.

DEAR SENATOR MANSFIELD: I note in the CONGRESSIONAL RECORD of February 2 allusions to remarks attributed to me concerning the welfare state. I fear that these allusions were based on a misunderstanding of the definition I attached to this phrase—a phrase not of my own liking, by the way, but imposed on me by the debate topic to which Mr. Buckley and I were asked to address ourselves.

Two quotations sum up my definition of the "welfare state":

"The scheme of society for which we stand is the establishment and maintenance of a basic standard of life and labor below which a man or woman, however old or weak, shall not be allowed to fall. The food they receive, the prices they have to pay for basic necessities, the homes they live in, their employment must be the first care of the state, and must have priority over all other peacetime needs."

"I believe that the American people feel that our production is so great that we can afford to put a floor under the necessities of life—food, education, medical care, housing—so that every family may have available a minimum decent living."

The conception of a floor under the necessities of life seems to me the heart of the matter. I should add that the first quotation is from Winston Churchill and the second from Robert A. Taft. I can hardly believe that those who denounced me really regard Churchill and Taft as state socialists. My own strong conviction is that the goals set achieved under our present economic system in these quotations can be fully tem.

I should add that I took part in this debate before I assumed my present duties.

Sincerely yours,

ARTHUR SCHLESINGER, Jr.,
Special Assistant to the President.

JUVENILE DELINQUENCY IN NEW BEDFORD, MASS.

Mr. SMITH of Massachusetts. Mr. President, I would like to bring to the attention of the Congress the fine work being done in New Bedford, Mass., in combating juvenile delinquency by inserting in the RECORD an article from the Brockton Enterprise. It shows what an alert and active community can do on the local level to handle this problem.

The PRESIDING OFFICER (Mr. MANSFIELD in the chair). Is there objection to the request of the Senator from Massachusetts?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

N.G. UNIT BEATS DELINQUENCY THROUGH POSITIVE PROGRAM—BOYS "GUIDED TO MANHOOD" BY GUARDSMEN IN NEW BEDFORD'S "MINUTEMAN CADETS"

(By Dick Dew)

NEW BEDFORD.—A National Guard unit here operates an antidelinquency program so effectively that many of its teenage members aren't even aware of its success.

Though about one-sixth of the 60 boys in the military-like Minutemen Cadets have been in trouble and are being "guided to manhood," few if any of their fellow members know of it or of the group's lofty aims.

The cadets were founded 3 years ago by the officers and men of Service Battery, 1st Howitzer Battalion, 211th Artillery.

Its formation is credited chiefly to Battery Commander Capt. Joseph Souza who also is adult probation officer in the New Bedford district court.

"We founded the cadets at the request of parents whose youngsters seemed to want and need something of this kind. They just weren't interested in the woodcraft aspects of the Boy Scouts," Souza said.

The cadets are composed of dues-paying boys 13 to 17 years of age who get a full course of preliminary military instruction ranging from military courtesy right up to small arms training during an annual firing range visit.

The youngsters operate under a plebe system with their own officers and noncoms and a seldom-needed court-martial program for those who wander out of line.

National Guard Lt. Donald Lavioniere is the supervising commander and CWO Neil W. Young serves as administrative officer. In addition, almost every officer and man of service battery participates in the program in one way or another.

SLOGAN SUMS IT UP

Captain Souza is perhaps the best person to comment on the success of the cadet program.

He first stresses that the organization was not founded to line up National Guard recruits. "Only one of our discharged (automatic at age 18) cadets has signed up for the

guards. That isn't our aim, though, of course, we welcome the boys.

"We have a few boys who have been in trouble. We've tried to hold down the ratio to 10 percent who have either been in difficulty or on the verge of it. We've never had anyone who couldn't or wouldn't be helped.

"We're really not here to lead the boys as much as we are to guide them. We have a slogan of 'guide to manhood' that pretty much sums it up.

"We get these boys when they are at an age that really needs some discipline. They appreciate guidance so long as they don't feel they're being led."

CASTRO CAUSES CRISIS

Generally, the boys' dues and the contributions of the National Guardsmen cover expenses. Their only real financial crisis resulted, strangely, from the rise to power in Cuba of Fidel Castro.

Until that time, the official cadet uniform was fatigues. But when the boys smarted under the jibe, "Castro's Cadets," they hastily converted to sunstans with the quiet assistance of their National Guard sponsors and local service clubs.

THE UNEMPLOYMENT SITUATION IN NEW ENGLAND

Mr. SMITH of Massachusetts. Mr. President, the Secretary of Labor has just completed a trip which dramatically illustrated the unemployment situation in our country. Unfortunately, his time schedule precluded a visit to New England, even though the situation there is also critical.

The latest report of the Massachusetts Division of Employment Security shows that, as of mid-December, 138,000 workers, or 6.3 percent of the State's work force, were out of work. This was above the level of 6 percent which the Department of Labor considers to be critical. These figures reported unemployment for the latter part of December. Since then, the situation has worsened. Bad weather conditions have added to layoffs. The latest figures, which will appear in the next 2 weeks, will certainly show a further deterioration.

Of the eight major employment areas in Massachusetts, seven have more than 6 percent unemployment. Lowell and Lawrence have had severe unemployment for almost 10 years, while Fall River, New Bedford, and Springfield have had over 6 percent unemployment for between 3 and 4 years.

I ask unanimous consent that a table detailing the unemployment situation in Massachusetts be inserted in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Estimated unemployment as of
mid-December 1960

Standard metropolitan statistical area	Number	Percent of labor force
Boston.....	56,500	4.6
Springfield-Holyoke.....	14,450	7.2
Worcester.....	10,000	7.4
New Bedford.....	7,340	11.7
Fall River.....	6,410	11.0
Lawrence.....	6,410	7.7
Lowell.....	4,740	9.4
Brockton.....	3,540	7.5

Mr. SMITH of Massachusetts. Mr. President, Congress can and should act

swiftly to alleviate this situation by early passage of two bills.

First. An increase in Federal support to State unemployment compensation programs so that unemployment benefits can be increased, and extended to persons whose State benefits have run out.

Second. An area redevelopment bill to allow communities to attract new industries, and allow workers to be retrained in occupations where job opportunity is expanding.

MEDICAL ASSISTANCE TO THE AGED

Mr. SMITH of Massachusetts. Mr. President, the Massachusetts Legislature recently adopted three resolutions concerning medical assistance to the aged, increasing the income tax exemption, and textile and fish imports. I feel that these resolutions should receive the attention of the Congress, and I ask that they be printed in the CONGRESSIONAL RECORD.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

RESOLUTIONS MEMORIALIZING THE CONGRESS OF THE UNITED STATES TO PASS LEGISLATION GRANTING MEDICAL ASSISTANCE TO THE AGED UNDER THE FEDERAL SOCIAL SECURITY ACT, AND ELIMINATING THE PAUPER'S OATH

Resolved, That the General Court of Massachusetts hereby urges the Congress of the United States to pass legislation granting medical assistance to the aged, funds for such assistance to be raised under the Federal Social Security Act, and eliminating the pauper's oath; and be it further

Resolved, That copies of these resolutions be sent forthwith by the Secretary of the Commonwealth to the President of the United States, to the presiding officer of each branch of the Congress, and to each Member thereof from this Commonwealth.

RESOLUTIONS MEMORIALIZING THE CONGRESS OF THE UNITED STATES TO ENACT LEGISLATION INCREASING THE PERSONAL EXEMPTION AND THE DEDUCTION FOR DEPENDENTS UNDER THE FEDERAL INCOME TAX LAW

Resolved, That the General Court of Massachusetts respectfully urges the Congress of the United States to enact legislation increasing the personal exemption under the Federal income tax law from \$600 to \$1,000 for persons under the age of 65, and increasing the amount of deduction allowed for dependents of such persons from \$600 to \$1,000; and be it further

Resolved, That copies of these resolutions be transmitted forthwith by the Secretary of the Commonwealth to the President of the United States, the presiding officer of each branch of the Congress, and to the Members thereof from the Commonwealth.

RESOLUTIONS MEMORIALIZING THE CONGRESS OF THE UNITED STATES AGAINST GRANTING CONCESSIONS ON TEXTILE AND FISH IMPORTS FROM FOREIGN COUNTRIES

Resolved, That the General Court of Massachusetts hereby urges the Congress of the United States to pass no legislation granting concessions on textile and fish imports from foreign countries; and be it further

Resolved, That copies of these resolutions be sent forthwith by the Secretary of the Commonwealth to the President of the United States, to the presiding officer of each branch of the Congress, and to each Member thereof from this Commonwealth.

FIVE CENTS SAVINGS BANK

Mr. SMITH of Massachusetts. Mr. President, Massachusetts was the birthplace of the mutual savings bank, which is known in the Commonwealth as the 5-cents savings bank. Since 1854, it has been possible—and it is still possible—to begin a savings account in Massachusetts with a deposit as low as 5 cents.

The story of these banks is an important part of the story of American thrift—of people joining together to make their money work for them.

I ask unanimous consent that the article from the New York Times of January 29, entitled "Five Cents Banks Thrive on Yankee Thrift," be included in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FIVE CENTS BANKS THRIVE ON YANKEE THRIFT—PECULIAR TO MASSACHUSETTS, INSTITUTIONS HAVE GROWN WITH COMMON MAN

(By Victor H. Lawn)

SALEM, MASS., January 28.—Had there been nickels when Benjamin Franklin coined the maxim "many a little makes a mickle," he might have said "many a nickel makes a buck-el."

But the nickel piece was not minted until 1866, about 100 years after his pithy advice appeared in Poor Richard's Almanack and the dollar bill, or "buck," came even later.

Just how right he was is shown by the record of the Five Cents Savings Banks, found only in the Commonwealth of Massachusetts. These institutions first appeared in 1854, with few assets. So skillfully have they parlayed the old half-dime and 5-cents deposits that they start 1961 with assets of about \$1,500 million. Deposits aggregate some \$1,250 million.

MUTUAL BANKS STARTED

Among the many things Massachusetts has given to the United States is the mutual savings bank. A few clever Bostonians figured out that something could be done by combining traditional New England thrift with Yankee skill in making money. So, in 1816, they formed the Provident Institution for Savings in the town of Boston and began the mutual savings bank movement in this country.

The new enterprise was called an institution because the word "bank" was in bad repute with the populace then. Big merchants and shipping interests controlled local banks to the exclusion of the farmer and laborer. Today, still operating under its original name, the Provident Institution for Savings has assets of almost \$350 million. New York did not get its first mutual savings bank until 1819, 3 years later.

The Nation was growing rapidly in the 1850's. Workers and sailors, although paid small wages, were earning more than they could spend prudently. But they had no place in which to put anything they might save. Banks of those days could not be bothered with petty accounts, so the ordinary citizen had to keep the money he did not spend in a sock or a hole in the ground.

That was the situation that gave rise to a move for a bank for the little fellow. Within a matter of hours on April 7, 1854, the first Five Cents Savings Banks were chartered by the Massachusetts Legislature. Each charter had as its second clause:

"Said corporation shall receive, on deposit, sums as small as 5 cents."

EIGHTEEN UNITS CHARTERED

Eight such banks were chartered in 1854 and seven in 1855. From 1859 to 1870 five

more were chartered, but since that date no new Five Cents Savings Banks have opened for business. The old ones, however, still "receive, on deposit, sums as small as 5 cents." Anyone who wants to open an account with a nickel can do so, and can do it by mail. Interest is not paid on amounts of less than \$1.

When the Boston Five Cents Savings Bank opened for business on May 1, 1854, the Boston Herald said in an editorial headlined "A Bank for the Millions" that "Any poor man or poor woman—any poor boy or poor girl—anybody that can get 5 cents, can deposit in this bank and become a capitalist at once." The Boston Five, as it is generally called, is the largest mutual savings bank in Massachusetts, with deposits of about \$375 million.

The Charlestown Five Cents Savings Bank adopted as its slogan "In the shadow of Bunker Hill." Its purpose was expressed as the "desire to have an institution established to encourage thrift through the acceptance of small savings." In 1949, the bank amended its charter by dropping the Five Cents from its name. Other municipalities that chartered banks of this sort in 1854 were Lowell, where the singular Five Cent was used instead of the plural Five Cents, Newburyport, Peabody—where the bank is called Warren—Springfield, Woburn, and Worcester.

The 1855 banks were at Fall River, Harwich—called the Cape Cod—Lynn, Plymouth, Salem, Stoneham, and New Bedford. Natick, Arlington, Brighton, Webster and the City Five Cents Savings Bank at Haverhill, were chartered from 1859 to 1870.

FIRST QUARTERS MODEST

All these banks started in modest quarters and many were open only an hour or two a week. The Woburn bank was in a store, the Arlington bank started in a corner of the railroad station. The first office of the Lynn bank was in the city clerk's room at the town hall. At Salem, the bank started in a room down an alley. Now all the banks have large, modern buildings and some have branches.

Franklin A. Hebard, president of the Salem Five Cents Savings Bank, says that the first depositor was a 14-year-old boy. Eighty-four persons on that first day deposited a total of \$1,769.64 in amounts from 5 cents upward. First-year deposits amounted to \$44,755.31. Deposits today total more than \$70 million.

The latest variation of this movement that received its chief impetus from the Five Cent Savings Banks is the mutual fund, which directly invests the pooled funds of scattered individuals. Small savers, however, must first let their funds build up in savings banks before they can participate in mutual funds.

THE CONTEST BETWEEN LIBERTY AND SECURITY

Mr. HART. Mr. President, the always difficult and always troublesome contest between liberty and security, with their deep and sometimes seemingly irreconcilable claims for our priority, has been raised again by a Supreme Court decision in the case of Times Film Corp. against Chicago. I have received—and I am sure many other Senators have also—much mail following that decision, and it seems to me that a comment in a weekly review of public affairs, which is edited by a group of Catholic laymen, known as "The Commonweal," is very much in point, and I ask unanimous consent that the editorial be printed in the RECORD at this point in my remarks.

The PRESIDING OFFICER (Mr. SMITH of Massachusetts in the chair). Is there objection?

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FREE SPEECH AND MOVIES

The problem of censorship is in the news again, this time by reason of a surprising decision of the U.S. Supreme Court. The Warren Court, which has made history with its numerous rulings in the direction of individual freedom from Government restraint, has now gone on record in quite the opposite direction.

In a split decision, the Court upheld by a vote of five to four the right of the city of Chicago to exercise prior censorship over movies to be exhibited within its jurisdiction. The case in question—*Times Film Corp. v. Chicago*—involved the right of the Chicago censors to refuse a license to exhibit a film when the would-be exhibitor declined to submit the film for the censors' examination. Actually, the film over which the case was fought was a perfectly harmless version of Mozart's "Don Giovanni," and there seems no doubt that it would have been approved if it had been submitted for inspection. The exhibitors refused to submit the film, it is clear, in order to manufacture a test case for the Supreme Court on the whole question of the constitutionality of movie censorship. Their plan succeeded to the extent of forcing the Court to rule on the issue, but the decision was obviously not what they had hoped for.

Writing for the majority, Justice Tom C. Clark said that the question before the Court was "whether the ambit of constitutional protection includes complete and absolute freedom to exhibit, at least once, any and every kind of motion picture." Since the film in the case had not been shown, no one could tell what was in it, Justice Clark continued. It might contain "the basest type of pornography, or incitement to riot, or forceful overthrow of government." "It is not for this Court," he went on, "to limit the State in its selection of the remedy it deems most effective to cope with such a problem" [the showing of obscene films] except when it could be demonstrated that there were "unreasonable strictures on individual liberty resulting from its application in particular circumstances."

Among the dissenters, Chief Justice Warren was joined by Justices Black, Douglas, and Brennan in questioning whether the logic of the majority decision could be confined to movies. "The Court in no way explains why moving pictures should be treated differently than any other form of expressions," said Chief Justice Warren, and its opinion "comes perilously close to holding that not only may motion pictures be censored but that a licensing scheme may also be applied to newspapers, books and periodicals, radio, television, public speeches and every other medium of expression."

Censorship is a very delicate and difficult business, and it is not helped by the extremists on both sides—those who think that every piece of obscenity published is a blow struck for freedom and the vigilantes who would ban first and ask questions afterward. As Justice Clark noted, every city has "the duty to protect its people against the dangers of obscenity in the public exhibition of motion pictures." But the steps taken to protect the people against the evil of obscenity must not bring about the danger of a worse evil—the loss of the precious and perishable commodity of free speech—and this is the danger which the dissenting opinion discusses. Weighing the evils and the dangers in the question of prior film censorship, we would have to align ourselves with the dissenters.

We think Chief Justice Warren is on strong ground when he points out that the majority opinion gives no explanation for its special treatment of movies among all the various communications media. In 1952, it must be remembered, the Supreme Court ruled in the *Miracle* case that moving pictures were covered by the guarantees of free speech and free press in the 1st and 14th amendments.

The argument that movies are somehow specially censorable—even though prior censorship of all other media is unconstitutional—we find unconvincing. The mass audience, the vividness of the communication, the tender age of those exposed to movies—all these conditions are met, to a greater or lesser degree, by other forms of modern communication. As the minority opinion asked, Why should movies be singled out for Government censorship by a society which fears and abhors state-controlled press or radio or communications systems generally?

As for the danger of removing precensorship from movies altogether, we can only say that it is a danger to be faced. It might be, as Justice Clark charged, that without prior censorship any and every kind of film could be shown at least once. But if law-enforcement officials are prompt and conscientious in arresting and prosecuting those who exhibit obscene films, this danger is not likely to be great.

Even more important, such a procedure puts the burden of proof not on the individual, as does the system of prior licensing, but on the State, which is where this burden belongs. Any conflict between the State and a citizen is an unequal one by definition, since the State has virtually limitless resources of funds, personnel, and equipment in its police and legal agencies. Nowadays especially, one would think, our concern would not be to strengthen the already vast powers of government but to safeguard the rights of the individual citizen who for one reason or another arouses the displeasure of the governmental colossus.

It is, we think, unreasonable and unjust to put restraints on individual freedom because of what the individual might do, and particularly in the extrasensitive area of free speech and free communications. With Justice Warren and the other dissenters, we fear that the power to withhold a license from a film—or a book or anything else—without the necessity to show cause or even to give a reason, is not in the best interests of a healthy democracy. We are surprised at the inconsistency of the many avowed champions of individual rights who are hailing this latest Court decision. What they are now cheering, it seems to us, is tighter State control of the very lifeline of the democracy they cherish.

SPECIAL COMMITTEE ON AGING

Mr. HART. Mr. President, I wish to join the many Senators urging the creation of a Special Committee on Aging. This I do not only because of the patent need for a clearinghouse and source of recommendations for the Senate's standing committees responsible for legislation that directly and indirectly might bear upon the conditions of our aging population; I do it because I am most familiar with the groundwork established by the senior Senator from my own State, PAT McNAMARA, as chairman of the previous Subcommittee on Problems of the Aged and Aging. The people of Michigan, young and old alike, have come to know what is meant by the McNamara subcommittee, and I have been told that to a slightly lesser extent,

the same is true around the entire country.

The various State conferences on aging held in 1960, and the 1961 White House Conference on Aging, have completed their work. This is well known and known, too, is the fact that such a special committee in the Senate would be the only continuing body concentrating on a full-time basis, and with a highly competent professional staff, on the magnitude and interrelationships of the problems of an increasing population of aged American citizens. The standing committees of the Senate will thus have more of its members involved in the problems of aging, and also a corps of experts at their disposal; and the country as a whole will be assured of a systematic body of recommendations affecting the dignity and well-being of its fellow citizens living in the so-called golden years.

THE UNEMPLOYMENT SITUATION

Mr. MANSFIELD. Mr. President, over the weekend the Secretary of Labor completed his on-the-spot survey of conditions in various industrial centers of the Nation which he visited at the direction of the President. The report which he brought back to Washington is not a pleasant one. It is one of serious unemployment, of little prospect of the alleviation of unemployment in the near future, of the beginnings of extensive human suffering resulting from that unemployment.

The Secretary of Labor only went as far as the Middle West. Had time permitted, had he gone further westward, to Butte, to Tacoma, to San Diego, he would have found more of the same. He has had the courage to use the word "recession," and I commend him for his candidness. We are in a recession and it is beginning to become nationwide.

It is easy enough to view the situation lightly from the virtually "depression-proof" city of Washington. But I am confident that this administration has no intention of fiddling while the fire goes out of the Nation's economy. I am confident that the Senate feels the same way.

Certainly some States have been hit harder by this recession than others. But let us make no mistake about it. We are—all 50 States—inseparable. None is insulated. And what one suffers today, others will suffer tomorrow unless we act promptly to root out this virus of recession. One can only say in this connection as John Donne said so well so many years ago:

Never send to know for whom the bell tolls; it tolls for thee.

The Senate's immediate responsibilities in the situation are clear. We have under consideration a bill (S. 895) on minimum wage legislation, introduced by the forthright Senator from Michigan [Mr. McNAMARA]. We know the content of this legislation from its consideration last year. It has a direct bearing on the recession-situation. I hope consideration will be given to the measure to bring it up to date promptly and that, then, we will act on it.

Just as immediately significant is a measure before the other House, H.R. 3646, which would extend unemployment benefits to the huge number of Americans who have exhausted them and have now to face the cruel prospect of becoming subjects of public or private relief. Here, the situation is one of urgency. I do not believe that any Member of this body will remain indifferent when there is gross human suffering or its threat abroad in the land.

This bill, as the Senate knows, must be acted upon first by the House. It would be my hope, however, that we shall complete all the necessary preliminary work in the Senate so that if and when the bill clears the House, we shall be prepared to act on it without delay.

I know that there are Members of the Senate who do not approve of either of these two emergency measures. But I also know that there is not a single Member of this body who approves of human suffering. These measures are designed in good faith to reduce human suffering in the Nation. The least we can do is to consider them in equal good faith and vote them or reject them as promptly as prudence permits. And may I add that it would be my hope that those who would reject them will be prepared to offer some alternative to meet the ugly recession which has appeared in key industrial areas and is beginning to spread its influence throughout the Nation.

CENSORSHIP IN ISRAEL

Mr. FULBRIGHT. Mr. President, in recent weeks there have been numerous references in the press to censorship in Israel.

Last spring after I had visited in the Middle East I was taken severely to task by the Israeli Prime Minister because I referred to censorship in Israel. Correspondence on this subject was exchanged.

So that the record may speak for itself, I ask unanimous consent to insert the following documents into the RECORD at this point:

First. Letter of July 7, 1960, to Ambassador Harman from Senator FULBRIGHT.

Second. Letter of July 13, 1960, from Ambassador Harman to Senator FULBRIGHT.

Third. Enclosure to foregoing letter consisting of Prime Minister's remarks to the Knesset.

Fourth. Letter of August 9, 1960, to Ambassador Harman from Senator FULBRIGHT.

Fifth. New York Times story of February 10, 1960.

Sixth. Washington Post story, January 17, 1961.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

AUGUST 9, 1960.

The Hon. AVRAHAM HARMAN,
The Ambassador of Israel,
Washington, D.C.

DEAR MR. AMBASSADOR: I have been out of town during the congressional recess and, therefore, have not had opportunity to acknowledge the receipt of your letter of

July 13 enclosing a copy of the Prime Minister's remarks concerning my recent report on the Middle East. Thank you very much for your assistance.

I have studied the Prime Minister's remarks to the Knesset with great care. Needless to say his comment that "there were a number of points" in my report which "were not fully in accord with the real situation" disturbed me because I had done my utmost to be fair and judicious. I was also sorry to learn that the Prime Minister stated that he was "very sorry that a responsible public figure who heads the Foreign Relations Committee of the U.S. Senate did not see his way to present the facts as they are, although we put these facts before him both in the United States and in the course of his visit here," and characterized what I said as "apt to be misleading."

So the record may be complete, I hope you will inform the Prime Minister on the following points:

1. The Prime Minister was critical of my statement that censorship exists in Israel as well as in the United Arab Republic, and stated: "In this country there is complete freedom of the press."

According to my information there are specific working arrangements for censorship of the domestic Israeli press embodied in what is known as a "Gentleman's Agreement" between the General Staff of the Israel Defense Forces and the Israel Newspaper Editors' Committee. So far as foreign dispatches are concerned, I have been informed that news and feature stories intended to be transmitted abroad must be submitted in duplicate to Government censors and that oral persuasion is utilized to get correspondents to rewrite and file stories that will not show they have been edited. I have also been informed that the Foreign Correspondents' Association recently passed a resolution condemning excessive press censorship in Israel.

2. The Prime Minister labeled as "not fully correct" my suggestion that Israel must accept the concept that her borders are not to be expanded by force. The Prime Minister stated that "Not a single responsible person in Israel has ever as much as hinted at such intentions" (i.e., that Israel would expand her borders by force).

In this connection, I would only refer to the invasion of the Sinai Peninsula, and to the resolutions adopted by the U.N. Israel-Syrian Mixed Armistice Commission on February 16, 1960. Those resolutions, as you will recall, contained such statements as: "The Israel-Syrian Mixed Armistice Commission condemns the Israel attack against the village of Khirbet-Altawafiq; decides that the above mentioned Israeli action constitutes a flagrant violation of article 5(a); requests the Israeli authorities to destroy and abandon all positions of a military character in the demilitarized zone."

Another resolution adopted at the same time by this United Nations Commission referred to allegations of Israeli incursions into Syria by air and stated that the Commission "Decides that this action of the Israeli Air Force constitutes a flagrant violation of article III of the General Armistice Agreement; condemns Israel for this hostile act; requests the Israeli authorities to put an end immediately and definitely to such hostile acts."

3. Finally, the Prime Minister in referring to the number of Arab refugees from Palestine suggested that there are less than 500,000 such refugees and said that it is rather hard to arrive at the result that there are more than a million refugees, as the Senator maintains.

My estimate on the number of refugees was based on the "annual report of the Director of the United Nations Relief and Works Agency for Palestine Refugees in the Near East; July 1, 1958 to June 30, 1959." That United Nations document indicates on

page 9 that as of June 1959, there were registered a total of 1,087,628 refugees.

I know you will understand, Mr. Ambassador, that it is not my purpose to take sides on any of the grievous disputes which plague relationships among many of the states of the Middle East. I have tried to be scrupulously fair in understanding the many complex problems of the area and in suggesting courses of action which I believe may be of mutual benefit not only to the United States, but to the peoples and states of the Middle East. It has been my hope that the views and suggestions of a disinterested third party might be of interest and help to states in the immediate area of the Middle East.

Very truly yours,

J. W. FULBRIGHT,
Chairman.

JULY 13, 1960.

Hon. J. M. FULBRIGHT,
U.S. Senate,
Washington, D.C.

DEAR SENATOR FULBRIGHT: I have now received the full text of the Prime Minister's remarks in the Parliament of Israel (Knesset) which you requested. I am forwarding you a copy herewith.

The Prime Minister's remarks were made in reply to a motion by Member of the Knesset Dr. Altman of the Herut Party for a Knesset debate on what he referred to as "the Fulbright report."

The Knesset's procedure in this matter is that a motion for the inscription of an item on the agenda can be made by any party. A reply is then made on behalf of the Government. In his reply the Government spokesman suggests one of three courses of action: the acceptance of the item on the Knesset agenda; the rejection of the item; or reference of the item to the relevant committee of the house. Speeches on these proposals are limited to one speech for and one speech against.

In the present case the Prime Minister replied to the motion on behalf of the Government. At his request, Dr. Altman's motion for a debate was rejected by the house.

With kindest regards.

Sincerely yours,

AVRAHAM HARMAN.

THE PRIME MINISTER. Mr. Speaker, Member of the Knesset, the contents of some of the things which have been said today in connection with this motion on the agenda surprise me. A number of things which the mover said are in contradiction to the platform which his party put forward before the elections. However, I have no intention to be drawn into this particular discussion. I merely wish to make some remarks with regard to that part of the mover's speech which dealt with what the American Senator recently said.

I would not say that there are many Americas; or more than one America; this leader's America or that leader's America. There is only one America. In this America there are people of different views, just as in Israel. There are not a number of Israels. There is one Israel, but within Israel there are many points of view. One of these has just been expressed by Member of the Knesset Dr. Altman—it is one of a not very substantial minority—and there are others. For this country is a democracy and different views exist, and that goes for the United States of America too.

I must tell the mover that, when speaking of an opponent in a friendly country, there is no need to speak in the style the mover used. Such ways of speaking do not befit our Knesset.

I had myself occasion to meet with Senator FULBRIGHT a number of times, twice in the United States and once here. We differed on a number of topics, not only on topics connected with Israel but also on

general ones. I wish now to make some remarks with regard to what Senator FULBRIGHT recently said in the U.S. Senate about the situation in the Middle East. There were a number of points which were not fully in accordance with the real situation; I assume that this was a result of incomplete knowledge.

Senator FULBRIGHT spoke of censorship which exists in Israel and a censorship which exists in Egypt. This comparison is groundless. Egypt is ruled by a regime of military dictatorship and the entire press is subjected to the dictator. In this country there is complete freedom of the press. There was no basis for such talk by a responsible person who heads the Foreign Relations Committee of such an august institution as the U.S. Senate.

The second point which is not fully correct is the Senator's double and, as it were, balanced demand addressed to Israel and to the Arab rulers. Senator FULBRIGHT does say that the Arab rulers intend to destroy Israel and keep attacking and arraigning her in public, and he asks them to stop doing so. But at the same time he demands that Israel shall obligate herself to refrain from expanding her borders by force. Not a single responsible person in Israel has ever as much as hinted at such intentions. The juxtaposition of Nasser's declarations regarding the destruction of Israel with alleged Israeli declarations regarding the forcible expansion of her borders is bound to be misleading.

Senator FULBRIGHT apparently did this in order to balance up both sides but there is no justification for such a balance. And it is rather strange that Senator FULBRIGHT, whilst admitting that the Egyptian ruler keeps declaring his intention to destroy Israel, at the same time expresses regret that the United States does not provide Egypt with military aid. It would have been more logical if the Senator had expressed his regret that the U.S.S.R. gives military aid to this ruler who makes declarations of this kind.

Finally, a few words with regard to what the Senator had to say about the Arab refugees. He stated that there were over a million refugees. It is, however, well known—and anybody can verify this by examining the population statistics of the country before 1948—that there were somewhat less than 500,000 Arabs in the area which is now Israel. In 1948 after Israel was established there were in Israel about 120,000 Arabs. We later admitted about 30,000 refugees on the basis of the reunification of families. If you deduct from the 500,000 (in fact there were less than 500,000 in our area before 1948) 120,000 which were then in Israel and again 30,000 which we admitted later, it is rather hard to arrive at the result that there are more than a million refugees, as the Senator maintains.

On one important point the Senator did not lay sufficient emphasis though he mentions it by the way, namely, that the Arab rulers exploit the refugees as a political weapon in their endeavors to destroy Israel. This is perhaps the greatest crime that the Arab rulers are committing, this cruel exploitation of the refugees for whose being refugees they are themselves responsible and to blame. For the Arab rulers called upon these people to leave the country until such time as they would have invaded Israel and destroyed her. They could easily have prevented the suffering of the refugees just as we prevented the sufferings of hundreds of thousands of Jewish refugees from Arab countries by making tremendous efforts, efforts beyond our possibilities, to take them in and to settle them. The Arab rulers could much more easily have settled the Arab refugees where they are. But these refugees are weapons in their hands in their fight against Israel.

I am very sorry that a responsible public figure who heads the Foreign Relations Com-

mittee of the U.S. Senate did not see his way to present the facts as they are, although we put these facts before him both in the United States and in the course of his visit here. What he said is apt to be misleading. It is a pity that a serious, responsible, and prudent person as Senator FULBRIGHT is, should have done so.

As for member of Knesset Altman's motion, I did not understand what it was and what he proposed.

A MEMBER. The proposal is to debate the Fulbright report.

The PRIME MINISTER. If so, I propose not to debate the Fulbright report. The Senator is not responsible to us. I propose that the Knesset take no further action beyond hearing what I had to say about Senator FULBRIGHT's speech in the Senate.

JULY 7, 1960.

HON. AVRAHAM HARMAN,
The Ambassador of Israel,
Washington, D.C.

DEAR MR. AMBASSADOR: According to a United Press International press report from Jerusalem dated July 6, 1960, Prime Minister Ben-Gurion was quoted as having said that I recently made "misleading" statements regarding the Palestine refugee problem and censorship in Israel.

It certainly has never been my intention to make any statement that might be misleading or "not in accordance with the truth" as the press dispatch stated.

I assume there must have been some error in the report. I should like very much to have a copy of the Prime Minister's remarks.

Very truly yours,

J. W. FULBRIGHT,
Chairman.

[From the New York Times, Feb. 10, 1961]

HISTADRUT VOTES TO ACCEPT LAVON RESIGNATION—ISRAELI LABOR GROUP OUSTS ITS SECRETARY GENERAL

(By Lawrence Fellows)

TEL AVIV, ISRAEL, February 9.—Pinhas Lavon resigned today as secretary general of Histadrut, the general labor federation of Israel.

The resignation was accepted at a bolsterous meeting of Histadrut's 107-member executive committee. The 58 members of the Mapai, who with Mr. Lavon represent the party in the committee, voted for acceptance.

By removing Mr. Lavon from the Histadrut post, the party appeared to have resolved the struggle that had torn it for months. Its action met a condition set by David Ben-Gurion for his return to leadership of the party and of the Government. He resigned recently as Premier.

Forty-six members of the executive committee, representing all other parties but one, voted against accepting the resignation. Mr. Lavon appealed to them repeatedly in the meeting to argue their cases with dignity and restraint.

It appeared from today's action that Mr. Lavon had decided that, despite popular demonstration and support shown inside the party, there was no point in continuing his struggle at this stage.

BEN-GURION MAY GET CALL

If the matter has died, there is a good chance Mr. Ben-Gurion will be asked next week by President Itzhak Ben-Zvi to form a new Government. It is still possible that the larger council of Histadrut will reject Mr. Lavon's resignation.

Part of the interest of other parties in the affair is linked to Mr. Ben-Gurion's continuing fight to break the power of Histadrut which is concerned with health insurance, construction and many other activities. Al-

though this struggle is not regarded as the core of the affair, Mr. Lavon said today:

"Responsibility for the affairs of state does not necessitate the removal of Histadrut from the centers of power and administration."

Mr. Lavon did not vote on his resignation and there were two other abstentions by members representing Oved Dati, the religious workers' party, which is close to the Mapai.

Yehoshua Voschcina, of Achdut Avodah, called the vote an immoral and unjust submission to dictatorship. "We cannot accept," he said, "that the secretary general should only be one who is acceptable to the Premier."

MANY IN MAPAI SHUN VOTE

An undetermined number of Mapai representatives did not participate in the vote to remove Mr. Lavon. Some left the meeting and were replaced by alternates. Some had apparently arranged before the meeting that their names would not be called out in the rollcall vote.

Mr. Lavon said that, in view of the support already shown him within the Mapai Party, he had won a moral victory in his long struggle with Mr. Ben-Gurion. He dwelt on the nature of the quarrel, which stems from 1954, when an Israeli security adventure went amiss and some of those involved eventually paid with their lives. Mr. Lavon was Minister of Defense at the time.

[Under Israel's censorship of foreign dispatches, the circumstances of the incident have not been disclosed officially. However, it is believed to have involved an Israeli spy ring that was broken up by the Egyptians.]

CLEARED BY CABINET

In December, seven Cabinet ministers by a unanimous decision found Mr. Lavon clear of all responsibility for the adventure. The Attorney General, Gideon Hausner, had in the meantime found conclusive evidence of forgeries as well as false testimony on an earlier inquiry.

BEN-GURION PARTY SUPPORTS ACTION UNANIMOUSLY

The Cabinet approved the Ministers' findings by a majority vote, but the Premier refused to accept them. He left for a vacation and let it be known that he was thinking about resigning. Instead of resigning he fought the ministerial committee and the Cabinet over the exoneration of Mr. Lavon.

In a letter to Justice Minister Pinhas Rosen, chairman of the committee, the Premier said:

"I cannot say that Lavon gave the order, for I did not hear it. But I read his statements to the Foreign Affairs and Security Committee in October and I found in them not only arrogance and insolence but falsehoods and slanders about the defense establishment in and before his time."

Then Mr. Ben-Gurion laid down an ultimatum to the party to remove Mr. Lavon from the Histadrut post, saying that he could no longer work with him. While the party struggled with the problem in January, the Premier resigned and the government fell.

Then the Mapai Central Committee adopted a resolution asserting that Mr. Lavon should be removed from Histadrut. The vote was 159 to 96.

While the committee met, crowds demonstrated outside for Mr. Lavon, but the police, swinging batons, dispersed them and arrested nine persons.

[From the Washington Post]

WEAKNESSES BARED IN ISRAEL BY FIGHT OVER LAVON AFFAIR

(By George Weller)

NICOSIA, CYPRUS, January 16.—The battle between Israel's elder and younger Moses, Premier David Ben-Gurion and labor boss

Pinhas Lavon has revealed unexpected weaknesses in Israel's military and political posture.

The main pro-Western party, the Mapai, and the army are riven from top to bottom by the open name calling between the electric, unpredictable Ben-Gurion and the outwardly calm but implacable organization genius, Pinhas Lavon, Israel's Walter Reuther, who heads the labor colossus, a sort of subgovernment.

Muffled by Israeli censorship, which will allow the duel to be called only the affair, the struggle of giants has revealed a deep general cleavage on how 2 million Israelis should deal with the surrounding sea of 35 million largely hostile Arabs.

Ben-Gurion, with his hit-'em-first tactics exemplified in border raids against Egypt and Jordan and finally the Suez war, is being weighed against the more cautious Lavon, who wants his job.

Former War Minister Lavon believes with former Premier Moshe Sharett in preserving Israel's underdog status in the public eye by rarely topping Arab blows and by diligent diplomatic courtship.

The contradictory policies overlapped in 1954 and 1955, when Lavon was operating Israel's first big Egyptian intelligence ring against Gamal Abdel Nasser—it has had several since—and when Ben-Gurion's young officers impetuously launched a raid on Egypt's refugee city, Gaza.

Lavon, then Minister of Defense under Sharett, discovered that these "blunders"—still not allowed to be specified by Israel's censorship—were actually rigged by Ben-Gurion during visits to the Ministry of Defense in Tel Aviv while Lavon and Sharett were at Cabinet meetings in Jerusalem.

Two names most heard as so-called conspirators for Ben-Gurion are Lavon's former chief of staff, Gen. Moshe Dayan, and Shimon Peres, both members of Ben-Gurion's Cabinet today.

Ben-Gurion's wolves are against Lavon's foxes, with a former American, Foreign Minister Golda Meir, running with the foxes against her own superior, the Prime Minister.

The Gaza raid is now considered an error even though at the time it was justified as a reprisal raid against Nasser's camp of Palestinian terrorists engaged in sabotage and infiltration against Israel.

Israel's agonizing reappraisal of Gaza has taken place because humiliated young Egyptian officers presented Nasser with an ultimatum to get them arms or be replaced.

When Nasser failed to meet American terms for weapons, he turned to the Soviet Union.

Lavon was found guilty of responsibility 6 years ago. But he never possessed the means of vindication until this year, when on a trip to Europe he discovered four officers, including one army secretary in the Paris Embassy, willing to testify that his hearing was rigged by Ben-Gurion's firebrand officers.

Lavon won his exoneration from the Cabinet, which turned its back on its own Premier and plunged Ben-Gurion into humiliation.

The nettled Ben-Gurion issued a 5,000-word statement last Thursday calling Lavon "arrogant, insolent, and also a liar and slanderer."

THE MENACE OF THE WORLD OIL CARTEL

Mr. BYRD of West Virginia. Mr. President, I have risen many times in the Senate to speak on the need for a national fuels policy. On each occasion I have stated that the formulation of such a policy becomes more imperative with each passing year—imperative to

our economic well-being at home, and imperative to our defense capabilities in the event of war.

My concern over this Nation's lack of a fuels policy is poignantly echoed by Mr. Bushrod Howard, Jr., in the February 1, 1961, issue of the United Mine Workers Journal. In the first of two articles in the journal, Mr. Howard tells with facts and figures how the world oil cartel has been cheating on tanker freight rates, taking tax advantages, and resorting to other sleight-of-hand tricks not only to destroy our domestic fuels industry but to also jeopardize our foreign relations with oil-importing countries.

Because I feel that Mr. Howard's first article deserves universal attention and study, I ask unanimous consent to have it printed in the RECORD at this point.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

AN ANALYSIS IN DEPTH: THE MENACE OF THE WORLD OIL CARTEL

(EDITOR'S NOTE.—How the greed of the international oil cartel—including five U.S. companies—is aiding and abetting the Communists in the cold war against the United States and the rest of the free world and how the profiteering big oil companies are threatening the destruction of America's domestic fuels' industries is spelled out in this article. This is the first of two articles analyzing in depth the sinister international activities of the merchants of oil. The author is Bushrod Howard, a consultant on the Middle East and the international petroleum trade. His background qualifies him as an expert in these fields. He has been an attorney on the staff of the Antitrust Subcommittee of the U.S. Senate headed by Senator ESTES KEFAUVER, Democrat, of Tennessee. He also has served as a Government relations adviser to Socony Mobil Oil Co., with extensive experience in the Middle East. Howard also was Middle East legal adviser for the Iraq Petroleum Co.)

(By Bushrod Howard, Jr.)

The United States faces not only inevitable economic disaster at home but also certain defeat in the cold war as the direct result of the absence of any fuels policies—both national and international. For the past 5 years, I have watched the Government of the United States support, mainly by inaction, the international profiteering interests of "big oil" at the expense of the interests of the United States.

The United States, with virtually unlimited natural resources for its expanding population and with its ever-increasing need for energy per person, is undergoing an explosive increase in fuel demands. Yet, rather than developing its own resources, the United States relies increasingly and unnecessarily on foreign oil imports, notably residual oil which has been dumped on the U.S. market.

This reliance is not simply a question of the possible destruction of our domestic fuels industry, but also of dependence on a pattern of economic and political situations abroad that are certain not to continue.

In 1960, the United States imported 669 million barrels of oil with a landed value of \$2.5 billion. This represented 25 percent of our domestic production. By 1968, with no change in present policies or prices, we will import twice this amount.

These massive imports into the United States are economically possible only because of the foreign profits of the big five American international oil companies in five

major oil exporting countries. For it is only due to these immense profits that are returned, if untaxed, to the United States, that we do not have to pay in goods, services or gold for our oil. It is these profits alone that stop our oil imports from adding to our deficit in our balance of payments. Without the oil companies' foreign-produced profits, we would be in the same position as Italy, India or Japan, where oil imports are the major drain on foreign exchange.

The American oil import program accepts as a permanent international "fact of life" that the oil-producing States and the oil-importing States are going to agree forever to the present contractual rights of the oil cartel. These contracts permit the oil companies to obtain a dollar a barrel net profit on the oil they produce. This means a total of more than \$200 billion after-tax profits based on the reserves they currently control.

The pricing policies in world oil trade place all the profit in the foreign producing countries. This means that the profits of the oil cartel depend on the continued ability of "big oil" to enforce their contracts with four Arab countries and Venezuela.

If the United States were unable to stop Castro from seizing the sugar companies—and they were far more established and accepted in Cuba than the oil cartel is in the Middle East and Venezuela—is it likely that the present pattern of control and price can be maintained by "big oil"? No objective observer, and I include my former industry colleagues, believes this to be so.

The reasons are clear and compelling:

Neither the consumer countries, such as the United States, nor the oil-exporting countries, such as Venezuela, accept what they consider as the exorbitant profits of the oil cartel as either justifiable or equitable.

The oil-exporting countries who gave "big oil" their concessions before the countries were independent and when they had no understanding of the facts, are now not only independent but more than aware of their sovereign right to control the price and to regulate the production of their basic natural resource: oil.

The power of the oil cartel is limited since the oilfields have been discovered and developed; and since the transportation facilities and refineries have been built and the markets established.

The nationals of both the consuming and the producing countries can rely in any fight with "big oil" on the technical, financial, and political support of the Russians.

This means that in any fundamental crisis, the oil cartel will lose unless it can involve the United States in a military adventure which is unthinkable, for apart from moral grounds, it would involve a military conflict with Russia.

The U.S. Senate report on the Suez crisis of 1956 made the following conclusions: "The United States has assumed responsibilities to its allies in Western Europe and in the Middle East as evidenced by NATO and the Middle East resolution. The Suez crisis calls for positive Government action to insure equity toward both the producing and consuming countries. The abdication of the obligation to meet these responsibilities to private corporations is inconsistent with the duty of the Executive under the Constitution to formulate and administer the foreign policy of the United States."

In the intervening 4 years, the major international oil companies have maintained high prices in the international oil trade despite an oversupply of low-cost foreign oil and an oversupply of tanker tonnage.

The consumer countries have suffered. But, because the international oil trade is monopolized and controlled by the seven major integrated international oil companies, five of them U.S. companies (Standard Oil of New Jersey, Texaco, Socony Mobil, Gulf, Standard Oil of California, Royal Dutch

Shell, and British Petroleum), they have had no recourse but to continue to pay the excessive prices charged by the international oil cartel.

A consumer revolt has been long overdue. France, which has always (despite her 23½-percent interest in the Iraq Petroleum Co. group) felt she was exploited by the oil cartel, made the first move.

In 1959, when it was clear that Algeria would have substantial quantities of oil to export, France demanded that refineries, including those owned by the American international companies, buy and refine all the oil available from Algeria before importing oil from any other area.

The next step, logically, would be to demand that all refineries within consuming countries import the cheapest crude oil available. This, due to the monopoly control of the international oil trade, was impossible. Oil prices, despite tremendous profits on production and tanker transportation, were maintained. Persian Gulf oil which cost from 7 to 24 cents to produce was sold at \$1.90. A basing point system was maintained on U.S. Maritime Commission tanker rates although actual rates were 50 to 75 percent below USMC rates.

The United States, during the Eisenhower administration, continued to maintain that international oil was a matter for free enterprise despite the fact that the consequences of the excessive prices for oil was crippling the economy of the underdeveloped countries.

The Soviet Union does have an international oil policy as well as a vigorous national fuels policy. As a result of the bloated and excessive prices of the oil cartel, the Soviet Union has been able to use oil as a major economic and political weapon. Although Russia has a very small tanker fleet, they have been able to obtain the tanker tonnage they require at cut rates by chartering Western tankers.

The consequences of the Communist oil offenses are far reaching. Once Russia has established itself as the supplier of long-term contracts for the oil requirements of underdeveloped countries it will be most difficult to reverse the trend.

Had the oil cartel charged reasonable prices to the consumer countries, there would have been no demand for Soviet oil. Great damage has been done to the prestige and reputation of the United States in India, for example. In August of last year, the international oil companies led by Standard Vacuum finally offered to cut the price of oil to India, because and only because the Russians had offered India oil at prices substantially below those charged by the international oil companies.

Just as at the time of Suez, the Soviet Union received the credit for the withdrawal of Britain and France, so again today credit is given, and this case rightly, to the Soviet Union for India's victory over the oil cartel.

It is clear that our foreign aid program and our foreign policy will be useless and unsuccessful so long as the United States permits the ruthless exploitation of the consumer countries of the free world by a monopoly whose only interest is to grab all the immediate profits possible, regardless of the consequences.

The Soviet Union now uses oil exports as a major and effective weapon to penetrate the underdeveloped countries. At a time when there is a great surplus of oil and tankers in the free world, Russian oil is being offered to and accepted by not only Cuba, but also many other countries such as Brazil, India, Japan, Italy, West Germany, France, and Scandinavia. The reason is simple: Russian oil is cheaper.

Ironically, the Russian oil offensive is only possible because of the availability of free world tankers, in some cases tankers financed directly or indirectly by the American taxpayers.

The success of the Soviet oil offensive constitutes a major victory for the Communists in the cold war.

The plain facts are:

Despite an abundance of low cost oil and low tanker rates, the seven international companies have maintained excessive prices that have retarded, if not crippled, the economic progress and fiscal stability of many of the underdeveloped countries.

The Soviet oil offensive is credited by the underdeveloped countries as the only weapon that enables them to free themselves from submission to the ruthless power over price hitherto exerted by the international oil cartel.

The Soviet oil offensive has succeeded in obtaining, or is about to sign, long-term contracts to supply oil to Cuba, India, Brazil, Japan, Ceylon, Italy, West Germany, Morocco, the United Arab Republic, various newly independent African countries, and the Scandinavian countries.

The Soviet Union, which has only an insignificant tanker fleet of its own, has been able to obtain a very substantial fleet of the free world's tankers at cut rates.

The Soviet Union has developed substantial reserves which permit it to export increasing amounts of oil.

Soviet oil exports outside the Iron Curtain have increased from 1¼ million tons in 1953 to a present rate of more than 20 million tons a year. Under present commitments, it is estimated that this figure will increase to at least 30 million tons by 1962. Some estimates predict an actual export figure in 1962, if the present trend continues, of 40 million tons or 800,000 barrels per day.

While these figures may not seem large when contrasted with production and consumption figures of the free world—the Middle East produces over 2½ billion barrels a year—they demonstrate a major political and economic capacity to influence and penetrate the underdeveloped countries.

Take the case of Cuba. Castro's economy would collapse in a month without Russian oil. Yet the Communists could not transport oil to Cuba without using free world tankers. How did the Russians get, since July of 1960, 500,000 tons of tankers to carry oil to Cuba? The answer: Inaction and disinterest by the Eisenhower State Department and the tacit aid of British Petroleum and Royal Dutch Shell, who actually seek to have Russia join the oil cartel.

If it is so clear that the oil cartel will lose its producing profits and that if it maintains its producing profits it will lose our allies, one might well ask why Big Oil and the Eisenhower administration remained apparently unperturbed and continued to act as though there could never be a change in the pattern of price or control of foreign oil, or indeed there ever should be a change. The answer is as simple as it is shocking. The oil cartel is interested in profits and profits only. Their aim is to postpone the evil day when the profits will cease. Those in the State Department, the CIA, and other Government agencies responsible for the international oil were either oilmen (such as Herbert Hoover, Jr.), prospective employees of oil companies (such as Kermit Roosevelt of the CIA, now vice president in charge of Government relations of Gulf Oil Corp.), or men responsive to the oil lobby such as the Fuels Division of the State Department.

The result has been that international oil is off limits to the Government, or at least was off limits to the Government during the Eisenhower administration.

The Eisenhower administration—despite the clear warnings and the many crises of the past 4 years—continued to maintain that the international oil trade was of no concern to the Government but a matter for private enterprise. By this they meant the very private enterprise of the Big Five

American international companies and their two European partners.

Such an abdication of responsibility for a major area of foreign policy and for a crucial sector of the domestic economy by Government to private companies has but one precedent in history: the grant of the subcontinent of India and its inhabitants to be exploited and ruled for the private profit of the honorable East India Co. This novel arrangement came to an end with the bloody Indian mutiny in 1857.

The oil cartel faces a mutiny of far greater proportions by the producer and consumer countries that it exploits. The damage to our present foreign policy and to our domestic fuels industry increases catastrophically by passage of time alone. A very real question is whether the new administration of President John F. Kennedy will recognize and be able to penetrate the oil curtain in the executive, particularly in the State Department in time to form a viable international and national fuels policy.

It is not pleasant to report that Khrushchev and the Russians are making great headway in convincing the world that, as Mr. K said in his speech in the U.N., speaking of oil: "The game from exploitation of colonies go not to the peoples but mainly to monopolies * * * monopolies are robbing the people twice—in the East when they buy and in the West when they sell * * *." This statement is, of course, not more than half truth, but it is very sweet to the ears of consumer countries and their representatives who have been told by the State Department that "your problems with the oil companies are matters in which the Government of the United States should not and will not interfere."

So much nonsense, so many half-truths, and plain lies have been propagated by the oil lobby and repeated as scientific fact by their stooges in and out of government that it is necessary to list the essential facts to find where we are today before we can suggest a course and a direction in which we should move.

The international oil business is quite simple. There are three essential facts that are important to keep in mind: its quantity and value, the concentration of oil production geographically, and the concentration of the corporations that exploit this business.

Oil is the most important raw material, both in quantity and in value, in world trade. This is seen by the fact that more than 40 percent of the world's oceangoing tonnage is made up of oil tankers. In 1960 more than 3.5 million barrels of oil and oil products were exported and reexported. The total landed value of this oil was about \$15 billion. These figures will double by 1968.

The second characteristic of the international oil trade is the concentration geographically of oil available for export. Of course, there are great quantities of oil in the United States but this is all used within the United States. There are only five major exporting countries: four in the Persian Gulf area of the Middle East, and Venezuela. If the largely self-sufficient oil-consuming Western Hemisphere is excluded, the dominant force in the crude oil trade is the import trade of West Europe. This area's use of oil constitutes more than half the total crude imports of the world. These are now almost wholly from the Middle East, which, in turn, is by far the largest exporting area of the world. In short, world trade is made up essentially of intrahemisphere trade (rather than as in pre-1948 days when 80 percent of Europe's imports were supplied by the Western Hemisphere). The United States is, however, beginning to import significant amounts of Middle East oil, particularly on the west coast.

REFINERIES CAN BE ANYWHERE

World trade in refined products is considerably smaller than in crude oil. This reflects the fact that while crude oil is, of course, tied to the actual oilfields, refineries can be put almost anywhere. Much the largest flow of refined products is from refineries in Venezuela and the Dutch West Indies, largely to the United States, and much of this is residual oil that is sold at dump prices on the U.S. east coast. The reason for this is the original refineries were built for Europe and when after the war Europeans built their own refineries, the oil cartel had to find another use for the products of their own West Indian and Venezuelan refineries. Of political significance in the products trade is the fact that most of the smaller underdeveloped countries have no refineries at all, especially Africa. This opens the way to easy penetration by the Russians as either suppliers of oil products or builders of "uneconomic and prestige" refineries.

The third characteristic of the international oil trade is its concentration outside of the United States in the hands of seven integrated international oil companies. These companies presently control—except for spot-price cutting by the Russians and a few small independent oil companies—substantially all the oil moving in international trade. Eighty-five percent of refining and 90 percent of production outside of the United States and the Communist bloc is in their hands. Today, and certainly a year ago, if you wanted to exploit your oil you had to go to the cartel and accept its terms. If you wanted to buy oil, you had to buy it from the cartel at its price. So, it is clear that if the trade links between hemispheres are weak, the corporate links are very strong and solid. The Big Seven companies—five of which are American, two of which are European—are in all markets and producing areas either directly or through joint ventures. This, of course, does not mean that the U.S. oil industry is not highly concentrated, but only that while some 20 to 30 companies dominate the U.S. oil industry, only 5 of these American companies have any significant foreign interest.

Of the five major oil exporting countries, the four in the Persian Gulf area of the Middle East—Saudi Arabia, Kuwait, Iraq, and Iran—export about 70 percent of oil in world trade. Venezuela, the remaining major exporter, supplies about 20 percent. The remaining 10 percent is exported by the Soviet Union, Qatar, and Bahrain in the Persian Gulf, Colombia and Trinidad in South America, and Indonesia and Borneo in Asia. A few countries such as Bolivia, Peru, Mexico, Austria, are self-sufficient.

There is no chance—at least over the next 20 years—that the major exporting countries' share of the world oil trade will be reduced below 80 percent. The reason is that proved oil reserves (oil that has been discovered but not produced) are even more concentrated. Outside of the United States (12 percent) and the Soviet bloc (5 percent), 80 percent of the total world proven oil reserves are in the Persian Gulf area (70 percent) and a further 10 percent in Venezuela.

This ratio of oil reserves will not change substantially, for the Persian Gulf area of the Middle East is geologically unique. There, immensely thick accumulations of oil at shallow depths are found in pools that measure up to 150 miles in length and 30 miles in width and that contain as much as 15 to 60 billion barrels of oil.

In the 20,000-square-mile Sheikdom of Kuwait (population 200,000), 150 shallow wells have discovered more than 60 billion barrels. In the United States, with 100 years of intensive exploration and the drilling of 1,750,000 wells, only 90 billion barrels have been discovered in the United States, of which two-thirds has been consumed.

These geologic facts have some economic consequences. The Middle East wells are immensely productive, averaging 5,000 barrels a day compared to 200 in Venezuela and 15 in the United States. The result of a low-discovery cost and high productivity is that production costs are very low. Loaded on a tanker the total cost of Persian Gulf oil before taxes and royalties is from 7 cents to a high of 24 cents in Saudi Arabia. In the United States the average price of oil at the well is \$2.92 and the Bureau of Mines estimates that the 1960 discovery cost of a barrel of oil in the United States was \$3.38, as compared to one-half a cent in the Middle East.

Of course, oil is and will be discovered elsewhere, but it is going to be discovered in comparable quantities or at comparable costs to replace or compete economically with Middle East oil. It is necessary to be very suspicious of the talk of great new discoveries that will replace the need for Middle East oil. Such statements are often made for a definite political purpose. The post-Suez propaganda about the oil of Algeria and Libya is typical. The most optimistic forecasts indicate that 20 percent of Western Europe's oil could be supplied from these sources when they reach their peak in 1968. Thereafter the percentage would fall. However, even to achieve this goal, unnatural pricing would be required as the discovery cost of Algerian oil is more than 100 times that of Middle East oil—54 cents a barrel as compared to one-half cent a barrel.

The reason for touting Algerian and Libyan oil is clear. France, particularly after Suez, wanted U.S. support for their stand against Algerian independence. Their argument was that the West could no longer rely on the Middle East and its oil, and, therefore, the United States should not stand with the Arabs but with France on Algeria, which if it was saved for the West could supply Europe's oil. When this argument was no longer needed, because De Gaulle now wants to grant Algeria independence, we find official and unofficial estimates of Algerian oil reduced dramatically. The big oil companies welcomed the French argument and extended it to Libya. Their purpose was to try and scare the Middle East governments so that they would modify their demands to increase their share of the revenues and their say in management. But public relations and wishful thinking do not change geologic and economic facts. The great bulk of the world's oil is in the Middle East, and this oil is by far the cheapest to produce. Countries in the Eastern Hemisphere that must import oil must draw their oil from the Middle East. It is, of course, true that the Middle East countries must sell their oil, but this does not mean that the oil cartel is either desired by or necessary to the consuming countries.

The history of the postwar period is less a story of a struggle between the United States and its Atlantic pact allies with the Russians and its Communist bloc than it is the story of a worldwide revolution of rising expectations. The hopes raised by the wartime slogans of the Atlantic Charter which promised not only freedom politically but freedom from want found a response throughout the world. The remotest and most backward colonial areas as well as Western Europe came to believe and demand decent and constantly improving standards of life as well as political freedom. One result, and the one of interest here, has been industrialization on a rapid scale, not only in the United States and Europe, but also in the underdeveloped countries. Combined with the constant increase in population, this has meant an explosive increase in energy demand. The formula is basic: more people—and more energy used per person—mean constantly increasing energy needs.

NUCLEAR POWER IS FOR THE FUTURE

Few countries can hope to be self-sufficient in meeting their energy requirements. This means that they must import increasing amounts of some source of primary energy. There are four principal sources—liquid petroleum, natural gas, coal, and waterpower. A potential fifth source, nuclear power, is presently only theoretical as the basic problems of cost, plant and above all disposal of radioactive wastes have not been solved. The most optimistic predictions see about 1 percent of U.S. requirements being met from this source in 10 years. A recent Chase Manhattan Bank study stated, "Until measurable volume (of nuclear power) of significance actually comes into existence, and trends can be determined with greater probability, we have elected to exclude atomic power from our calculations." There is no question that nuclear power, or some other new source, will, in time, be a significant factor as a primary source of energy; however, such time is too distant to be of interest to energy consumers of the 1960's or 1970's.

Let us examine the case of India, the most populous nation of the free world. India is an outstanding example of the absolute dependence of an oil importing country on the international oil cartel.

India depends on oil to power its transportation, agriculture, industry, and home fuel requirements. The alternative to oil is economic stagnation. Neither coal nor nuclear energy can presently be adapted to power road transportation or agricultural machinery, the two pressing needs for India's economic development.

While India—with Soviet and Rumanian technical help—has found oil within its boundaries, rapidly increasing demand requires increasing oil imports.

Three companies, representing five of the big seven, import, market and refine oil in India: Standard Vacuum (Standard Oil of New Jersey and Socony Mobil); Caltex (Standard Oil of California and Texaco); and Burmah Shell (Royal Dutch Shell).

Most of India's oil imports are from the Persian Gulf. The companies first make a profit of over \$1.50 (\$0.75 after taxes) on the production of this oil in the Persian Gulf. Next they are making a 100-percent tax-free profit on tanker transportation to India by paying current low rates and charging a landed price in India based on rates at par (the so-called U.S. Maritime Commission rates). Finally, in India they make a profit on both refining and marketing the imported oil.

India must pay not only the international oil companies these excessive prices but also pay the landed price in hard currencies. Thus, we have the anomaly of the American taxpayer contributing through our foreign aid program to help India's development while the international oil cartel, by its excessive price policies, retards India's development by levying an unreasonable and exorbitant price for the oil they sell to India.

INDIA'S OIL SHOULD COST LESS

If there had been competition in the international oil trade, India's oil bill would have been cut in half. India, however, was impotent in the face of the international oil cartel which, by default of any interest, let alone action, by the United States has been free to exploit its monopoly as ruthlessly and selfishly as the days of the old Standard Oil Trust.

Royal Dutch Shell which operates in India as Burmah Shell obtains its oil from this market from Gulf Oil Corp., at Kuwait in the Persian Gulf.

Shell and Gulf split the producing and transportation profit on this oil. Therefore, on crude oil at Kuwait, which costs less than \$0.08 cents a barrel to produce and is sold at \$1.68 f.o.b. Kuwait, Shell obtains a wind-

fall profit of 40 cents. A further windfall of 20 cents a barrel is obtained by the fact that Shell pays for tanker transportation at the current low rates while the landed price includes a transportation charge of \$2.75 a ton, the so-called USMC rate. To say India is dissatisfied with the oil cartel is not an overstatement and India is typical of consumer countries.

The next and final mystery that must be dispelled about the international oil trade is the method of pricing oil in the international oil trade by the cartel.

There are two markets for oil. The first is that which is completely controlled by the cartel and the second is that in which the cartel has to compete with other independent oil sellers including the Russians, and with alternate fuels.

The so-called world price with its talk of posted prices and discounts does not in fact exist. It is a mere theory of the cartel that they were able to persuade the producing countries to adopt. The cartel theory of oil prices is based in a way, that changes with time, on the price of oil in the U.S. gulf coast. Originally the U.S. gulf coast supplied all the markets of the world, at least marginally. Further, it was then the only market where crude oil was sold and bought in sufficient lots by a sufficient number of people to be able to call it a market. Foreign producers were few and generally did not sell any crude oil to third parties but used it in their own integrated markets. Then the crude oil was never sold as crude oil but sold only to consumers as finished products. Also, there was no compelling reason that the price of crude oil in a foreign field should be known. The foreign governments had universally exempted the companies from all taxes and all other payments except for a flat royalty per ton of oil exported. Therefore, whatever the price of oil, the government would always receive the same amount of money from the company per ton.

Nevertheless, there were reasons, even if only internal auditing ones, for a price to be established. A method of pricing foreign oil called the net-back price was adopted. The price of oil at any given market was calculated by adding the actual current tanker rate to the U.S. gulf price. The price of oil at any given exporting country was calculated by deducting the actual freight rate from the landed price of U.S. gulf oil plus the actual tanker rate from the U.S. gulf giving a so-called net back at the producing country. This meant, of course, that the f.o.b. price of foreign oil varied not only on the current tanker rate but also on its destination.

When the so-called 50-50 deals were made between the companies and the producing governments, these arrangements purported to split the producing profits between the countries and the governments. It was then, therefore, necessary to establish a price for oil in each producing country, and a price for oil that did not vary on its destination. With the net-back theory in mind it was decided to equalize the Venezuelan and U.S. gulf oil prices at New York and the Venezuelan and Middle East oil prices at a halfway point, which was Naples in the Mediterranean. Thus, despite the fact that the United States was no longer an exporter of oil, U.S. oil prices were still the theoretical basis of all posted prices. A major error in logic was made at that time. The formula and the posted prices were based on the then high current tanker rates and no provision was made to change posted prices when tanker rates changed. Tanker rates have, since Suez, dropped far below the theoretical rate of USMC flat. The result has been a phantom freight element that has been charged consumers but never credited to the posted price and thereby to the producer countries in their share of the profits. And this phantom freight has been pocketed by

the oil companies or used by them to dump oil in markets such as the United States.

TAX POLICIES UNFAIR TO COAL

The 50-50 deals, of course, really meant that the U.S. companies were permitted to pay their U.S. taxes to the producing governments. While it was physically logical and correct for the producing governments to get a larger income out of their own oil resources, the acquiescence of the U.S. Government in giving up their share of the taxes not only affected U.S. Government revenues but was the major step in making for unfair competition of international nontaxpaying oil with domestic U.S. fuel industries, such as coal.

The result of the present price structure has been not only to dissatisfy the foreign producing governments but also to create uneconomic conditions for the other segments of the oil industry and other fuel industries. The actual policy of the international oil companies has been to use their huge foreign producing profits to run other elements of their integrated business at a loss in order to drive out competition such as the coal industry in the United States or the independent refiners abroad or the independent U.S. tankers and the independent U.S. refiners. Two examples suffice. One was reported in *Petroleum Week* when Standard Oil, New Jersey's subsidiary in Venezuela, sold over two-thirds of the oil it produced at heavy discounts off posted prices. This is, in fact, the oil that is the source of much of the residual oil that is imported into the United States at dump prices. The reason Standard Oil of New Jersey sold their oil at discounts was to inject this oil into coal's natural market in the eastern United States.

Another example was found in the admission that certain segments of the integrated operations are run at a loss to obtain competitive advantages. Recently the representative of Socony Mobil Oil Co. stated at an official meeting in Beirut that his company had deliberately run their tanker operations at a loss of over \$13 million in 1959 so as to be able to offer price inducements to customers.

These two examples show the danger and the unsatisfactory results of the present cartel policies. Socony imported oil into the United States taking a major loss on its tanker operations for that purpose. Standard Oil of New Jersey met this "competition" by importing oil from Venezuela at a major discount off posted prices.

Is this really good commercial practice? On Wall Street the future of oil rights of the major international companies abroad is discounted. And the prices of oil shares values proved reserves in the Middle East at less than 3 cents as compared to over \$1 for U.S. reserves. Major blue chip shares such as those of Standard Oil of New Jersey sell for 13 times earnings whereas domestic oil producers sell for 23 times earnings.

In short Wall Street does not believe that the companies can continue their monopolistic control of foreign oil.

TRANSPORTATION PROBLEMS

Mr. HARTKE. Mr. President, there have been in recent months several reports dealing with the problems of the Nation's transportation system and suggestions for regulatory reform in order that the transportation plan of the country might better serve the national needs both for commerce and national defense.

A special study committee of the Senate Interstate and Foreign Commerce Committee has recently prepared a report on this matter, also, and members

of the committee are now studying this matter.

As a member of the committee, I have been trying to read the many reports which have been made on this matter. The reports comprise thousands of pages, but I feel that the information contained in them are important. Since it is practically impossible for Members of the Senate to read all of these reports in their entirety, I feel that it would be helpful to them to have a summary.

Stanley Hamilton and R. Stanley Chapman, of *Traffic World*, recently wrote a summary of the reports. Because of the importance of them, I ask unanimous consent that the summary be printed in the body of the RECORD as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[*Traffic World Magazine*—Jan. 21, 1961]
SEVEN REPORTS ON TRANSPORTATION PROBLEMS
AGREE AS TO ILLS BUT DIFFER ON SOLUTIONS

(Congress, new President have no shortage of diagnoses, suggestions as to Federal transport regulation. Reports have come from private and congressional units. Regulatory lag is generally attacked.)

(By Stanley Hamilton and R. Stanley Chapman)

What to do about problems confronting the Nation's transportation has been discussed extensively in seven controversial study reports (some recommending yet more study) issued since early in November and now being scrutinized, compared, and debated by regulatory agencies, carriers, and shippers.

Precise comparisons of the contents of the voluminous documents are not easily made, for they range widely, both in scope and purpose. Some concern themselves with the entire transportation industry or the entire regulatory scheme. Others deal with only the internal operating procedures of a single regulatory agency and the effect such procedures have on a single mode of transportation. Another concerns itself more with the general philosophy of transportation rather than with the specifics of the industry.

To be sure, these seven reports are by no means the first such analyses of transportation (two that come immediately to mind are the *Weeks Report* of 1955 and the report issued last March by the Department of Commerce). But there's good reason to believe that in no comparable period in the past have so many reports on transportation studies been issued as in the period since last November. They have been made public at a time when it has seemed almost fashionable to criticize the regulatory process. By their very nature, however, the 7 new reports—amounting to a total of more than 2,000 pages—demand comparison.

These are the recently issued reports, their sources, their respective purposes and the names by which they are most commonly known:

The Landis report—A general study of all regulatory agencies, initiated by President Kennedy and conducted by James M. Landis, a former Chairman of the Civil Aeronautics Board, Mr. Landis, whose report proposes to streamline the agencies and their procedures, has been appointed a special Presidential assistant to deal with the regulatory problem.

The Doyle report—A general study of transportation and the governmental organization and policies affecting transportation, initiated by the Senate Interstate and Foreign

Commerce Committee and prepared by a special study unit under the direction of Maj. Gen. John P. Doyle (U.S. Air Force). The report, the most sweeping and voluminous of the seven, has as its purpose the identification of fundamental problems facing transportation and the recommendation of solutions.

The oversight report—The final report by the Legislative Oversight Subcommittee of the House Interstate and Foreign Commerce Committee, dealing with the effectiveness of all regulatory agencies, particularly as ethics and standards of conduct are involved.

The practitioner report—An initial report dealing only with the Interstate Commerce Commission, prepared by the Special Advisory Committee on Commission Practices and Procedures of the Association of ICC Practitioners for the purpose of reviewing the functioning of the Commission objectively and in broad outline.

The "Booz, Allen report"—another report dealing only with the ICC, initiated by the Bureau of the Budget and made under direction of the firm of Booz, Allen & Hamilton, management consultants, of Chicago, with the purpose of enabling the ICC to expedite its work "at the lowest possible costs."

The "McKinsey report"—a report dealing only with the CAB, also initiated by the Bureau of the Budget and made under direction of the management consulting firm of McKinsey & Co. with the purpose of recommending ways to reduce the CAB's workload.

The "Woods Hole report"—a report resulting from a transportation research conference convened last August at Woods Hole, Mass., by the National Academy of Sciences-National Research Council. The purpose of the report is to provide "a constructive start toward resolving present difficulties" of the Nation's transportation system.

AREAS OF SIMILARITY

Although the reports range widely in scope and purpose, each contains a common thread. That thread is concern with the regulation of transportation and the effectiveness of regulation. It is in this area that comparison of similar or conflicting recommendations is most readily made.

In the field of the makeup of the regulatory agencies, the reports made the following major recommendations:

LANDIS REPORT

Establish in the executive branch of the Government an Office for the Coordination and Development of Transportation Policy.

Establish in the executive branch an Office for the Oversight of Regulatory Agencies.

Abolish the President's Advisory Committee on Government Organization, as well as the positions of special assistants to the President on regulatory and industry matters.

Provide for appointment of the ICC Chairman by the President.

DOYLE REPORT

Establish a Federal Transportation Commission to absorb the "major economic and related" functions of the ICC, CAB, and Federal Maritime Board.

Establish a Department of Transportation to absorb "certain executive-type functions" of the ICC, CAB, and FMB, and various executive functions and programs in the transportation field that are now controlled by other executive agencies.

Establish a Transportation Circuit Court of Appeals with exclusive appellate jurisdiction in the judicial review of decisions by the proposed new Commission.

Establish a joint congressional committee on transportation to undertake continuous studies and make recommendations, but without authority to report legislation to Congress.

OVERSIGHT REPORT

Establish a permanent congressional subcommittee on regulatory and administrative commissions.

PRACTITIONER REPORT

Establish an executive department (within the ICC) headed by an executive Commissioner.

Establish an Office of Management in the ICC headed by a General Manager.

Establish an Office of Regulation in the ICC to direct and coordinate all regulatory functions.

Establish an Office of Proceedings in the agency to direct all proceedings up to the time of submission to the Chairman for assignment.

BOOZ, ALLEN REPORT

Establish an Office of Administrator in the ICC, with responsibility for direction of the agency.

Abolish Division 3 (rates, safety, and services) and reconstitute the remaining Divisions as Division A (operating authorities), Division B (rates and practices), and Division C (finance and carrier reorganizations).

Establish four functional bureaus: (1) Applications and Inquiries, (2) Proceedings, (3) Safety and Compliance, (4) Enforcement.

Establish in the ICC a Division of General Appellate Matters, "pending the passage of urgently needed legislation to authorize appellate employee boards."

Establish an Office of Transportation Policy and Analysis in the ICC.

Establish an Office of Field Operations in the ICC.

Establish an Office of Public Information in the ICC.

Provide for election of the Chairman for a 3-year term, the Chairman being eligible for reelection.

Provide for the election of a Vice Chairman for a 1-year term, also being eligible for reelection.

M'KINSEY REPORT

Establish a position of Director of Policy and Planning in the CAB.

Increase the CAB membership from present five to seven members.

Increase the term of the Chairman from the present 1 to 3 years.

[The Woods Hole report made no specific recommendations in the area of makeup of regulatory agencies.]

Turning to the field of internal agency functions and procedures, the reports made the following major recommendations:

LANDIS REPORT

Issuance by the President of an Executive order concerning ethics of Government employees.

Promote greater interagency coordination.

Provide for reforms in ICC panel process of decision so the full Commission would not have to be called on as a body to determine a large number of issues.

Encourage better ICC opinions to eliminate "parsimony in discussing the applicable law in making a determination."

Eliminate the assigning of individual ICC Commissioners administrative duties as supervisors of various bureaus.

Make decisions of single ICC Commissioners, examiners or boards final subject to selective review by certiorari.

Speed up route proceedings at the CAB. Develop a system at the CAB to eliminate the "hodge-podge" route structure.

Reorganize the CAB to make more overall planning possible, through more delegation of matters by board members.

Provide that the CAB as a whole should not participate in negotiations on international routes.

Provide an entertainment allowance for certain agency members, as well as an ade-

quate retirement allowance, to make the positions more attractive.

DOYLE REPORT

Provide that examiners' decisions be final unless appealed by an adversely affected party or opened for review by the proposed new Federal Transportation Commission, which would operate under a procedural framework similar to that now used by the ICC, CAB and FMB.

Specify that there may be only one review of an examiner's decision within new Commission.

Divide the new Commission into panels to consider appeals from decisions, with the panel decision being final.

Assign directly to the full new Commission for final action appeals from examiners' decisions in "major cases."

Eliminate initial hearings by examiners in cases involving paramount issues of national transportation policy, which should be directly assigned to the full Commission.

Place responsibility for each report of the proposed Commission on an individual Commissioner in a manner similar to U.S. Supreme Court procedure.

Provide for development of an "adequate record" in major cases so that the new Commission's conclusions "will reflect the full implication of the issues raised."

OVERSIGHT REPORT

Establish a requirement in the ICC administrative policies to provide that all evidence in the possession of any Commission member or employee bearing on the fitness of an applicant be incorporated in the record of proceedings.

Establish in the ICC administrative policies a requirement to insure that any evidence of law violation brought out in any of its proceedings be reported to it and the Bureau of Inquiry and Compliance.

Grant the ICC authority to revoke or suspend carrier certificates on conviction in court of willful violations by carriers of the Interstate Commerce Act and regulations thereunder without further formal proceedings.

Amend the ICC rules to provide for inclusion in applications of "sufficient information" to enable disposition of the matter of the application itself if no protest is filed and the Commission has no evidence needing to be developed on the fitness issue.

Amend ICC rules to establish criteria for extending the use of nonhearing procedures in cases where "no seriously contested issue of fact" is likely to develop, even if the applicant does not request such procedure.

Eliminate, as factors contributing to "mounting administrative Commission backlogs," lack of planning for future technological developments, excessive interventions, cumbersome procedures, absence of incentives for speedy decisions, presence of incentives to "drag out" proceedings, and improper influence.

PRACTITIONER REPORT

Provide that the General Counsel of the ICC head a rules committee of staff officers and practitioners to recommend changes in rules of practice.

Charge the secretary of the ICC with executive responsibility for analysis and evaluation of economic research conducted by the proposed Office of Regulation.

Integrate ICC field offices under single regional managers.

Delegate more authority to employee boards.

Provide intensive training for hearing officers, supplemented throughout their tenure.

Assign individual Commissioners to prepare drafts of final reports in all proceedings.

Set up three standing divisions of three members each to decide initially proceedings of general transportation importance

and to dispose of petitions for reconsideration of decisions of individual Commissioners and employee boards.

Reduce greatly en banc proceedings by the ICC.

Establish an ICC policy of speeding up the assignment of matters for consideration.

BOOZ, ALLEN

Increase the coordination of ICC field activities and delegation of authority on the field level.

Improve executive proceedings of the ICC. Overhaul ICC data collection and utilization of the data.

Create the post of Chief Hearing Examiner for the ICC.

Strengthen personnel programs and activities at the ICC.

Base ICC budget and fiscal controls on a penetrating program analysis.

Establish broad policy criteria for decisions on each type of case coming within the purview of the ICC.

M'KINSEY REPORT

Provide full support for the suggested Director of Policy and Planning of the CAB.

Utilize to a fuller degree CAB's staff.

Lessen the CAB's emphasis on case-by-case adjudication.

Provide the board additional time to meet its total scope of responsibility.

Promote fuller board-staff communication.

WOODS HOLE REPORT

Aim Government policy at providing an environment that can nurture a healthy dynamic (transportation) system, responsive to challenging conditions and emerging technology.

View problems of urban mobility need in relation to community planning and development.

Bridge the chasm between transport operators and the regulatory agencies by research and education.

Minimize the compartmentalization of authority, decisionmaking, and operations.

Then, in the broad area of general transportation matters, the seven reports contain these recommendations:

LANDIS REPORT

Plan for the foreseeable future of transportation and undertake basic policy formulation within the agencies.

Overcome past solutions to specific problems which are piecemeal in character and lacking in bold and imaginative thinking.

Consider changing commodity tariff classifications which still reflect an economy whose changes have made many of them obsolete.

Reexamine subsidy policies in the maritime field which may be producing uneconomic competition on overexpanded trade routes.

Effect coordination with State and municipal agencies dealing with local and regional problems.

Increase the stature of regulatory agency positions in order to increase the caliber of personnel.

DOYLE REPORT

Consolidate all transportation laws into one Federal transportation act.

Promote the concept of user charges to be accepted for gradual application to air and waterway transportation over a period of years.

Permit equally the ownership of one mode by another (under a renewable license) when such ownership is clearly demonstrated to be in the public interest.

Strengthen the powers of regulatory agencies in regard to through routes and rates and allow users to initiate applications for combination service.

Develop promptly a policy on carrier consolidations.

Reinstate the long-and-short-haul provision of the Interstate Commerce Act as written prior to 1958 and provide that exceptions thereto be restricted to those cases in which it is clearly established that relief would result in a national benefit or is justified because of cost considerations.

Foster development of containerization through both governmental promotion and regulation.

End the general policy that Government should compete with private enterprise.

Repeal the provisions in section 22 of the Interstate Commerce Act which extend to Government agencies the right to obtain, beyond supervision of a neutral regulatory body, special reduced rates from carriers.

Enact legislation empowering and directing regulatory agencies to enforce the restrictions on private carriage.

Establish a category of for-hire water carriers licensed to transport bulk commodities only and require them to hold out that service to the general public and to file minimum rates subject to standard tariff-filing procedure and approval.

Gradually eliminate the present bulk exemptions in section 303 (b), (c), and (d) of the Interstate Commerce Act.

Investigate the question of limitation of highway operating authorization and its effect upon national transportation costs.

OVERSIGHT REPORT

Prescribe ethical standards of conduct for agency proceedings and ex parte contacts.

Provide that the amended agency budget requests submitted to Congress by the Bureau of the Budget retain all original language and figures contained in the agency requests as submitted to the Bureau.

Determine the effects on the independent agencies of the requirement that all their legislative proposals must be submitted to the Bureau of the Budget in advance of presentation to Congress.

Gear aviation law and its administration to the advent of machines which will fly in excess of the speed of sound.

Seek coordination of the various regulatory, promotional, and subsidy powers of Government units dealing with transportation.

PRACTITIONER REPORT

Provide that the available time of each ICC member be employed in adjudicatory rather than managerial and regulatory matters.

Remedy the ICC's failure to enunciate policy by improving staff support, particularly in the field of transportation research and economics and a more intimate personal participation by the members in the decisional process itself.

Rotate more frequently the assignment of ICC Commissioners among the divisions, along with adding a system of special assignment of proceedings in certain instances.

Adopt an ICC policy to permit members to develop more expertise in all phases of the work.

BOOZ, ALLEN

Free the ICC for concentration of key regulatory issues.

Have the ICC give responsible consideration to the bulk of the decisional issues not reaching the Commission.

Have ICC management responsibilities carried out in an integrated and consistent manner.

Design ICC policies and programs to produce an acceptable level of compliance at a reasonable level of costs.

M'KINSEY REPORT

Consideration by the CAB of the potential effects on industry of mergers and of consolidations of segments.

Consideration by the CAB of a review of Board policies such as the use-it-or-lose-it policy or the newly established rate base.

Devote increased attention to identifying and meeting the overall, long-range policy needs of the CAB.

Reappraise the basic applicability of the formal processing procedures of each of the CAB's major docket types and initiate changes to reduce the use of the formal proceeding.

Reexamine the CAB's decisionmaking role.

WOODS HOLE REPORT

Initiate research as to possible changes in the factual basis of decisionmaking in the transportation field.

Attract competent people in the development of new talents and skills to further improved understanding of transport problems and development.

Stimulate the attention of institutions and individuals to needed research.

Organize, encourage and support successive pilot studies of the type that lead to actual plans and, cumulatively, add to our store of knowledge.

Identify specific requirements for accurate and adequate data needed for research and study.

Provide forums for the exchange of ideas and information by means of which the general improvement of knowledge and understanding may be accelerated.

Provide an organizational device to stimulate and provide a focus for stepped-up efforts in research and study of transport.

Direct a concerted national effort to evolving methods of traffic operation on the highways that will compare more favorably with progress in air traffic control.

Find means to describe the composite of U.S. transportation activity in such a way that it can be subjected to more rational analysis.

Give attention to threatened congestion of terminal facilities.

Focus on a need to reduce the suspected high cost of transportation.

Focus on a need to consider transportation in the full context in the society, the economy and the nation which it serves.

As could have been anticipated, the recommendations made in the various reports have resulted in both criticism and praise.

Already in the 87th Congress, bills have been introduced to implement some of the suggestions. President Eisenhower, in his final budget message to Congress, made specific recommendations which closely paralleled suggestions in some of the reports. One agency, the ICC, announced January 9 that it had taken two actions designed to improve its procedures, speed disposition of cases and give its members more time to act on cases of general transportation importance (Traffic World, Jan. 14, p. 81). The ICC said it had taken into account various studies, reports, and recommendations, including those of Congress, the Practitioner study and the Booz, Allen study.

In his budget message, President Eisenhower called for creation of a Department of Transportation and legislation to provide for Presidential appointment of the ICC Chairman as steps to strengthen transportation.

In Congress, Representative HARRIS, of Arkansas, has introduced an omnibus bill (H.R. 14) to prescribe standards of conduct for agency members and employees. Representative YOUNGER, of California, and Senator SMATHERS, of Florida, have proposed a Department of Transportation in the Cabinet. Various other bills touching on the problems covered in the reports have also been introduced.

In the Doyle, Woods Hole, and McKinsey reports, further study—to some degree or other—is called for. The Practitioner report is described as a first report. The oversight subcommittee, while it is going out of existence at the end of January, recommends establishment of a new, permanent subcom-

mittee. The Doyle report calls for a joint congressional committee to make continuous studies.

Such recommendations for more study have been greeted in the past with what might be termed open derisiveness by at least two House Members. Representative BECKER, of New York, has expressed the view that he was a little bit tired of listening to studies and asked "When are we going to know some results?" Representative VAN ZANDT, of Pennsylvania, told Traffic World recently that the time had come to halt the studies and get some action.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. SMITH of Massachusetts in the chair). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

STUDIES OF OPERATIONS OF THE GOVERNMENT

Mr. MANSFIELD. Mr. President, is morning business concluded?

The PRESIDING OFFICER. Is there further morning business? If not, morning business is closed.

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 25, Senate Resolution 20.

The PRESIDING OFFICER. The resolution will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A resolution (S. Res. 20) authorizing the Committee on Government Operations to make certain studies as to the efficiency and economy of the operations of the Government.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the resolution, which had been reported from the Committee on Government Operations with an amendment on page 3, line 18, after "exceed" to strike out "\$75,000" and insert "\$80,000", and subsequently reported from the Committee on Rules and Administration without additional amendment, so as to make the resolution read:

Resolved, That in holding hearings, reporting such hearings, and making investigations as authorized by section 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on Government Operations, or any subcommittee thereof, is authorized, from February 1, 1961, to January 31, 1962, inclusive, to make studies as to the efficiency and economy of operations of all branches of the Government with particular reference to—

(1) the effectiveness of the present organizational structures and operational methods of agencies and instrumentalities of the Federal Government at all levels in the formulation, coordination, and execution of an integrated national policy for the solution of the problems of survival with which the free world is confronted in the contest with world communism;

(2) the capacity of such structures and methods to utilize with maximum effectiveness the skills, talents, and resources of the Nation in the solution of those problems; and

(3) development of whatever legislative and other proposals or means may be required whereby such structures and methods can be reorganized or otherwise improved to be more effective in formulating, coordinating, and executing an integrated national policy, and to make more effective use of the sustained, creative thinking of our ablest citizens for the solution of the full range of problems facing the free world in the contest with world communism.

SEC. 2. For the purposes of this resolution, the committee, from February 1, 1961, to January 31, 1962, inclusive, is authorized:

(1) to make such expenditures as it deems advisable;

(2) to employ upon a temporary basis and fix the compensation of technical, clerical, and other assistants and consultants: *Provided*, That the minority of the committee is authorized at its discretion to select one such person for appointment, and the person so selected shall be appointed and shall receive compensation at an annual gross rate not less by more than \$1,400 than the highest gross rate paid to any other employee; and

(3) with the prior consent of the head of the department or agency concerned, and the Committee on Rules and Administration, to utilize on a reimbursable basis the services, information, facilities, and personnel of any department or agency of the Government.

SEC. 3. The committee shall report its findings, together with its recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than January 31, 1962.

SEC. 4. Expenses of the committee under this resolution, which shall not exceed \$80,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

Mr. MANSFIELD. In reference to Calendar No. 25, Senate Resolution 20, to authorize the Committee on Government Operations to make certain studies as to the efficiency and economy of operations of the Government, reported by the Committee on Rules and Administration on February 2, 1961, its purpose is to bring about the completion of the first review of national security policy machinery since the passage of the National Security Act of 1947.

The resolution was reported favorably by the Committee on Government Operations on January 26 and by the Committee on Rules and Administration on February 2. Last year \$125,000 was authorized for the use of this committee. Twelve thousand dollars was returned. This year \$80,000 is being asked. It is a reduction of \$45,000 from last year. If the resolution is approved, the subcommittee plans to finish a series of staff reports and also prepare appropriate recommendations and legislative proposals, conduct hearings as needed, and finish its work by September 1, 1961, or, at the latest, by January 31, 1962.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. ELLENDER. It is my understanding that the subcommittee to which the Senator has referred was formerly known and was organized as the Subcommittee on Government Organization in Contest With World Communism.

Mr. MANSFIELD. That was approximately the title of the original resolution, but not of the subcommittee.

Mr. ELLENDER. What is the necessity of organizing or creating a new subcommittee? As the Senator has stated, there has been a reduction from the amount the subcommittee received last year. However, last year, it was styled under the name, as I said, of the Government Organization in Contest With World Communism. Two years ago we authorized the Foreign Relations Committee to expend \$500,000 for a study of our foreign relations. Of that sum \$366,000 was actually spent. As a matter of fact, the RECORD shows that the Brookings Institution did a small amount of the work and was paid for it. Why then should the Committee on Government Operations go into this field? Why does not the Committee on Foreign Relations handle this, as it has in the past?

Mr. MANSFIELD. The subcommittee, presided over by Senator Jackson, has always been known as the Subcommittee on National Policy Machinery. As the Senator from Louisiana knows, better than anyone else in the Senate, the scope which lies within the prerogative of the Government Operations Committee is tremendous, probably more widespread than that of any other committee. I point out that the Jackson subcommittee was created with the approval of President Eisenhower, that it has conducted itself in a nonpartisan manner. Their studies have been both objective and scholarly.

Furthermore, this Senate subcommittee has undertaken a project which, I believe, the Brookings Institution would not be able to undertake, because the subcommittee has consulted and taken testimony from the best minds and the most experienced statesmen in the national security field, and has done this in a public manner. They have taken testimony in hearings from men like Robert A. Lovett, Nelson A. Rockefeller, Averell Harriman, Christian A. Herter, Thomas F. Gates, Paul Nitze, George Kennan, Roger Jones, and Robert Bowie.

I would also point out that the work has entered the recommendation phase just as a new administration is taking a fresh look at the machinery for national security policymaking. For example, President Kennedy has called the subcommittee's work a starting point for strengthening and simplifying the National Security Council. Several recommendations made by the Jackson subcommittee are already in effect.

Mr. ELLENDER. What subcommittee is that?

Mr. MANSFIELD. The Subcommittee on National Policy Machinery, the committee for which funds are being requested.

Mr. ELLENDER. As I asked earlier, in what way does it differ from the Committee on Foreign Relations, which, according to the RECORD, spent \$366,000 for a similar study? Why should the Committee on Government Operations expand into foreign matters?

Mr. MANSFIELD. So far as foreign policy is concerned, it is my belief that that would be marginal, though im-

portant, in this study—in the sense of coordinating machinery in the defense and foreign policy field. What is sought to be done is to bring about a simplification in the procedural structure of the administration of national security policy at home, so that from an overall point of view, let us say, the National Security Council could be strengthened and could render better judgments. I myself think there is no overlap, or is very little overlap, between this committee and the Committee on Foreign Relations. I think that together they can make a great contribution to the betterment of our country's welfare.

Mr. ELLENDER. I still hold to the belief that once these subcommittees are created, there is no end to them. I was informed that this old subcommittee had completed its work. Now it is flying under a new banner. I believe that such work as is sought to be done by this subcommittee is within the province of the Committee on Foreign Relations, which has had at its disposal quite a few thousand dollars in order to carry on this program. I am hopeful that there will be a limitation placed on the number of these subcommittees.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. ELLENDER. If all the resolutions pending today are agreed to—and I feel certain they will be—we will appropriate \$1,474,500. I have been trying, to the best of my ability, to get some reduction in the amounts provided these subcommittees but somehow I am unable to do so. On the contrary, as I pointed out last week, and as I point out again this week, new subcommittees are being created. One resolution pending today provides for a new subcommittee of the Committee on the Judiciary, namely, the Subcommittee on Charters, Holidays, and Celebrations. It is true, the amount sought is only \$7,500. But the same subcommittees, which are before us now, last year obtained from Congress \$1,393,120. This year an increase of \$81,380 is sought for the same subcommittees.

It strikes me that we should put a stop to much of this activity. We should allow the committees which have real jurisdiction of these problems to handle them, and not have this increasing duplication.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. McCLELLAN. My understanding of this committee comes from what I find in the report. In the letter of Senator Jackson to the chairman of the Committee on Rules and Administration, he refers to the "concluding phases of the subcommittee's work." That is what I understand is the status of the committee now.

Mr. MANSFIELD. Yes.

Mr. McCLELLAN. He says that in the concluding phases of the subcommittee's work the staff reports will be completed. He mentions a number of staff reports on which the committee is now working. As I understand, the committee expects to complete its work this year. If I am not mistaken, that is a correct statement.

Mr. MANSFIELD. That is my understanding. I understand that the committee contemplates finishing its work by September 1, 1961, or, at the latest, by January 31, 1962, less than a year from now.

Mr. ELLENDER. If that is true and the subcommittee is about to conclude its work, why spend more money this year than was spent last year, when all the work was done?

Mr. MANSFIELD. But they are spending less money this year.

Mr. ELLENDER. Last year they obtained \$75,000.

Mr. MANSFIELD. Oh, no; they received \$125,000 last year, and \$12,000 of that was returned. This year the com-

mittee is asking for \$80,000, a reduction of \$45,000.

Mr. ELLENDER. From last year?

Mr. MANSFIELD. From last year.

Mr. McCLELLAN. As I understand, the amount is to be reduced, and the committee will go out of business.

Mr. ELLENDER. I did not look at the record of last year, but it was my understanding that the work was to be concluded.

Mr. President, I ask unanimous consent that the budget of the subcommittee be printed in the RECORD at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Budget, 1961

Position	Number	Base salary (per annum)	Gross salary (per annum)	Monthly salary (gross)	Total for period of budget (gross)
STAFF					
Legal and investigative:					
Staff director.....	1	\$8,040	\$16,173.19	\$1,347.76	\$9,434.12
Counsel (minority).....	1	8,040	16,173.19	1,347.76	9,434.12
Special counsel.....					
Assistant chief counsel.....					
Assistant counsel.....					
Consultants.....	(5-10)	(¹)	(¹)	(¹)	6,000.00
Chief investigator.....					
Investigator.....					
Editorial and research:					
Editorial director.....					
Assistant director.....					
Research director.....					
Research assistant.....					
Staff members.....	3	20,460	42,087.27	3,507.26	30,850.07
Administrative and clerical:					
Chief clerk.....					
Assistant chief clerk.....					
Assistant clerk (secretary to director).....					
Assistant clerk (file).....					
Assistant clerk (record).....					
Assistant clerk (hearing).....					
Stenographers.....	3	7,140	16,576.61	1,381.37	11,979.39
Accountant.....					
Assistant accountant.....					
Bookkeeper.....					
Total.....					67,697.70
ADMINISTRATIVE					
Contribution to employees health benefit programs (Public Law 86-382, effective July 1, 1960).....					200.00
Contribution to civil service retirement fund (6½ percent of total salaries paid).....					2,000.00
Contribution to employees' Federal employees group life insurance (27 cents per month per \$1,000 coverage).....					175.00
Reimbursable payments to agencies.....					1,000.00
Travel (inclusive of field investigations).....					3,000.00
Hearings (inclusive of reporters' fees).....					3,000.00
Witness fees, expenses.....					625.00
Stationery, office supplies.....					800.00
Communications (telephone, telegraph).....					150.00
Newspapers, magazines, documents.....					1,352.30
Contingent fund.....					
Total.....					12,302.30
Grand total.....					80,000.00

¹ Temporary, as required, on a consultants' fee basis.

Mr. McCLELLAN. I think the work will be concluded this year. That is my understanding. As I recall, the subcommittee was not intended to be a permanent one. It had a job to do, and it is now in the process of concluding the work it was created to do.

Mr. MANSFIELD. The Senator from Arkansas is correct. I hope that his assurance will carry great weight with the Senator from Louisiana.

I ask unanimous consent to have printed in the RECORD at this point an excerpt from the committee report, which reproduces a letter in explanation of Senate Resolution 20, received by me as chairman of the Committee on

Rules and Administration, from Senator JACKSON, chairman of the Subcommittee on National Policy Machinery.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

U.S. SENATE, COMMITTEE ON GOVERNMENT OPERATIONS, SUBCOMMITTEE ON NATIONAL POLICY MACHINERY,

January 26, 1961.

Hon. MIKE MANSFIELD,
Chairman, Committee on Rules and Administration, U.S. Senate, Washington, D.C.

MY DEAR MR. CHAIRMAN: Reference is made to Senate Resolution 20, 87th Congress, which was introduced in the Senate on Jan-

uary 6, 1961, requesting funds to continue studies concerning the effectiveness of present governmental organization and procedures for the development and execution of national policy in the contest with world communism. The requested funds would cover the period from February 1, 1961, through January 31, 1962. The resolution was reported favorably by the Government Operations Committee on January 26, 1961.

Accompanying this letter is an estimated budget for this period. The budget estimates that \$80,000 will be required. This is a reduction of \$45,000 from the expenditure of \$125,000 authorized by Senate Resolution 248, agreed to February 8, 1960. Of this latter sum, we expect to return well in excess of \$12,000 to the Senate contingent fund.

As you know, the Subcommittee on National Policy Machinery has been making the first comprehensive review of the national security policy machinery of our Government undertaken since the passage of the National Security Act of 1947, toward the end of making recommendations for the more effective formulation and execution of national security policy.

The subcommittee began its nonpartisan inquiry in the summer of 1959 with a careful review and identification of the major problems of national security policymaking, to the end of laying a solid foundation for hearings, interviews, and studies.

After publication of an interim report (S. Rept. 1026) and carefully selected background materials, the subcommittee conducted extensive hearings, beginning February 17, 1960, with an executive session background briefing by Allen W. Dulles, Director of Central Intelligence. Thereafter, testimony was taken at 33 additional meetings divided into seven sets of hearings. These hearings began with the appearance of former Secretary of Defense Robert A. Lovett on February 23, 1960, and ended with that of Gov. Nelson A. Rockefeller on July 1, 1960.

The first set of hearings, "Part I: Organizing for National Security," saw several Americans of wide experience address themselves to the overall challenge confronting the Nation today and in the years ahead, as it relates to organizing for national security.

At the second set of hearings, "Part II: Science, Technology, and the Policy Process," seven distinguished authorities testified on the relation of science and technology to national security planning.

The third set of hearings, "Part III: Mobilizing Talent for Government Service," addressed itself to the problem of attracting and retaining outstanding officials in vital national security posts.

At the fourth set of hearings, "Part IV: The National Security Council," three former special assistants to the President for national security affairs gave their views on the effectiveness of the NSC.

The fifth set of hearings called upon five distinguished public servants, including the Secretaries of State and Defense and a former Chairman of the Joint Chiefs of Staff, for their expert testimony on policymaking at the summit of the Government and coordination between the key national security departments, State and Defense, "Part V: The National Security Council and the Departments of State and Defense."

The subcommittee next took testimony from three former directors of the State Department's policy planning staff, "Part VI: The Department of State, the Policy Planning Staff, and the National Security Council."

The seventh set of hearings concerned public support of national security policy and the organization of the Executive Office of the President, "Part VII: The Executive Office and Public Support."

On June 14, 1960, on recommendation of the subcommittee the Committee on Government Operations unanimously reported to the Senate its views on the special problem of intelligence and national security (S. Rept. 1750).

As a result of evidence presented to the subcommittee that, independent of party or administration, the problem of rapid turnover of key national security officials was a critical one, on recommendation of the subcommittee the Committee on Government Operations unanimously reported out Senate Resolution 338 to the Senate, expressing the sense of the Senate that those appointed to key posts should serve for a reasonably substantial period of time and should indicate to Senate committees their willingness to serve as long as the President desires. The resolution was agreed to July 2, 1960, and was accompanied by a report (S. Rept. 1753).

The subcommittee staff has since devoted its attention to intensive study of the key problems developed in the testimony and is preparing a series of staff reports containing recommendations for corrective action. Two of these have been published: "Super-Cabinet Officers and Superstaffs" and "The National Security Council"; others are in advanced stages of preparation.

In the concluding phases of the subcommittee's work, the series of staff reports will be completed. Appropriate recommendations and legislative proposals based on the committee's studies will be made. Hearings will be undertaken as required.

The study is being made by the Government Operations Committee in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, providing that the committee shall have the duty of—

B. Studying the operation of Government activities at all levels with a view to determining its economy and efficiency;

C. Evaluating the effects of laws enacted to reorganize the legislative branches of the Government. . . .

Finally, I am pleased to note that our study has been characterized throughout by a spirit of objective, scholarly concern and nonpartisanship. We have had the most helpful cooperation from Senators on both sides of the aisle, the executive branch, the academic world, and the general public. We believe our study has already helped to produce a more sober awareness and informed concern for the critical problems of the national security policy process.

I shall be available to give the committee any further information desired.

Thanking you for your cooperation and with kind regards, I am,

Sincerely yours,

HENRY M. JACKSON,
Chairman.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Committee on Government Operations.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the resolution, as amended.

The resolution (S. Res. 20), as amended, was agreed to.

PRINTING OF REPORT ENTITLED "FINANCIAL MANAGEMENT IN THE FEDERAL GOVERNMENT"

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 26, Senate Resolution 68.

The PRESIDING OFFICER. The resolution will be stated by title.

The LEGISLATIVE CLERK. A resolution (S. Res. 68) to print a committee report entitled "Financial Management in the Federal Government."

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the resolution.

Mr. McCLELLAN. Mr. President, I ask unanimous consent to have printed at this point in the RECORD, in support of the resolution, a letter dated February 10, 1961, from the Comptroller General of the United States, addressed to me as chairman of the Committee on Government Operations. In his letter, the Comptroller General strongly endorses the report.

I ask unanimous consent also to have printed at this point in the RECORD excerpts from a letter dated November 2, 1960, addressed to Mr. Walter L. Reynolds, staff director of the Committee on Government Operations, from George B. Galloway, senior specialist in American Government and Public Administration, Library of Congress.

I believe these letters speak more eloquently than I could on the reason, justification, and advisability of having this report published. I may say that the committee receives many requests from colleges, universities, and others engaged in making studies of government for this very splendid staff report.

There being no objection, the letter and excerpts were ordered to be printed in the RECORD, as follows:

COMPTROLLER GENERAL

OF THE UNITED STATES,

Washington, D.C., February 10, 1961.

HON. JOHN L. McCLELLAN,
Chairman, Committee on Government Operations, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: We have read, with great interest your committee's report on "Financial Management in the Federal Government." This comprehensive analysis prepared by the committee's staff is a remarkable document to which all concerned can point with pride.

We have watched with admiration the painstaking, thorough, and workmanlike fashion with which the director of the staff, Mr. Walter Reynolds, proceeded about this complicated subject. It has been a privilege to ease a difficult task for him as best we could.

Not only will this historic work be of great value to congressional committees and Members of Congress, it also should be required reading and reference for anyone seriously concerned with financial management in Government. For our part we are seeing to it that all of our professional staff will have the report in hand.

Sincerely yours,

JOSEPH CAMPBELL,
Comptroller General of the United States.

THE LIBRARY OF CONGRESS,

Washington, D.C., November 2, 1960.

Mr. WALTER L. REYNOLDS,
Staff Director,
Committee on Government Operations,
U.S. Senate, Washington, D.C.

DEAR WALTER: I have read with much interest the proofs of your proposed report on "Financial Management in the Federal Government," in accordance with your request of October 13. This report is, indeed, a monumental, historical, and analytical job. It is probably the most comprehensive and

detailed review of the subject that has ever been compiled and contains a wealth of fresh data on financial administration, especially in parts V and VI. The report will long be an invaluable source book for the use of interested Members and committees of Congress and of students of public finance.

I find nothing in the report that deserves serious criticism. Every important aspect of the subject seems to be adequately covered.

With hearty congratulations upon your excellent report, I am, always with best regards,

Cordially yours,

GEORGE B. GALLOWAY,
Senior Specialist in American Government and Public Administration.

Mr. McCLELLAN. Mr. President, I hope the resolution will be agreed to, and the committee authorized to procure additional copies of the report.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 68) was agreed to as follows:

Resolved, That the committee print entitled "Financial Management in the Federal Government," issued by the Committee on Government Operations during the Eighty-sixth Congress, second session, be printed as a Senate document, and that three thousand two hundred additional copies be printed for the use of the Committee on Government Operations.

INVESTIGATION OF CERTAIN MATTERS BY THE COMMITTEE ON BANKING AND CURRENCY

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 27, Senate Resolution 44.

The PRESIDING OFFICER. The resolution will be stated by title.

The LEGISLATIVE CLERK. A resolution (S. Res. 44) authorizing the Committee on Banking and Currency to investigate and make expenditures in connection with certain matters within its jurisdiction.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the resolution.

Mr. ROBERTSON. Mr. President, this is the customary resolution which has been agreed to by the Senate on a number of occasions to continue the additional investigating staff of the Committee on Banking and Currency. The amount sought is slightly more than that provided last year, but the resolution provides for no additional positions; it merely provides the additional pay which Congress voted last year for all Senate employees.

I am appreciative of the fact that the Committee on Rules and Administration reported the resolution unanimously.

Mr. ELLENDER. Mr. President, as I understand from the report, \$14,949 has been returned from last year's appropriation.

Mr. ROBERTSON. That is correct. The chairman of the Committee on

Banking and Currency has in his veins a little Scotch blood. We do not spend anything which is not necessary.

Mr. ELLENDER. Mr. President, I ask unanimous consent that the budget for

this subcommittee be inserted at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Budget

Position	Number	Base salary (per annum)	Gross salary (per annum)	Monthly salary (gross)	Total for period of budget (gross)
STAFF					
Legal and legislative:					
Assistant counsel	1	\$8,000	\$16,102.90	\$1,341.90	\$16,102.90
Assistant counsel	1	5,040	10,872.25	906.02	10,872.25
Assistant counsel	1	4,620	10,060.30	838.35	10,060.30
Editorial and research:					
Staff member	1	4,680	10,176.30	848.02	10,176.30
Economist	1	7,980	16,067.74	1,338.97	16,067.74
Administrative and clerical: Assistant clerk (record)	1	2,580	5,930.60	494.21	5,930.60
Total	6				69,210.09
ADMINISTRATIVE					
Contribution to employees health benefit programs (Public Law 86-382, effective July 1, 1960)					486.00
Contribution to civil service retirement fund (6½ percent of total salaries paid)					4,498.66
Contribution to employees Federal employees group life insurance (27 cents per month per \$1,000 coverage)					226.80
Travel (inclusive of field investigations)					2,000.00
Hearings (inclusive of reporters' fees)					1,500.00
Witness fees, expenses					500.00
Stationery, office supplies					150.00
Communications (telephone, telegraph)					300.00
Newspapers, magazines, documents					175.00
Contingent fund					953.45
Total					10,789.91
Grand total					80,000.00

Funds requested, S. Res. 44, \$80,000.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 44) was agreed to, as follows:

Resolved, That the Committee on Banking and Currency, or any duly authorized subcommittee thereof, is authorized under sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdictions specified by rule XXV of the Standing Rules of the Senate, to examine, investigate, and make a complete study of any and all matters pertaining to—

- (1) Banking and currency generally;
- (2) financial aid to commerce and industry;
- (3) deposit insurance;
- (4) the Federal Reserve System, including monetary and credit policies;
- (5) economic stabilization, production, and mobilization;
- (6) valuation and revaluation of the dollar;
- (7) prices of commodities, rents, and services;
- (8) securities and exchange regulation;
- (9) credit problems of small business; and
- (10) international finance through agencies within the legislative jurisdiction of the committee.

SEC. 2. For the purposes of this resolution the committee, from February 1, 1961, to January 31, 1962, inclusive, is authorized (1) to make such expenditures as it deems advisable; (2) to employ upon a temporary basis, technical, clerical, and other assistants and consultants: *Provided*, That the minority is authorized to select one person for appointment, and the person so selected shall be appointed and his compensation shall be so fixed that his gross rate shall not be less by more than \$1,400 than the highest gross rate paid to any other employee; and (3) with the prior consent of the heads of the departments or agencies concerned, and the Committee on Rules and Administration, to utilize the reimbursable

services, information, facilities, and personnel of any of the departments or agencies of the Government.

SEC. 3. Expenses of the committee, under this resolution, which shall not exceed \$80,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

ADDITIONAL PERSONNEL FOR COMMITTEE ON LABOR AND PUBLIC WELFARE

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar 28, Senate Resolution 70.

The PRESIDING OFFICER. The resolution will be stated by title.

The LEGISLATIVE CLERK. A resolution (S. Res. 70) authorizing the Committee on Labor and Public Welfare to employ temporarily an additional assistant chief clerk and additional staff and clerical personnel.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. HILL. Mr. President, the resolution was unanimously approved by the Committee on Labor and Public Welfare. It has been favorably reported by the Committee on Rules and Administration. It extends for 1 year the authority of the Committee on Labor and Public Welfare to employ certain temporary additional professional staff members and clerical assistants.

The Senate has previously approved resolutions authorizing these positions, in the case of some of them every year since the beginning of the 83d Congress, some 8 years ago.

All the positions authorized under the pending resolution were authorized last year under Senate Resolution 265. No new positions are sought other than those previously approved by Senate action.

The committee is convinced that in order to permit it to carry out its work efficiently and effectively, it must have the additional temporary positions authorized by this resolution.

Mr. ELLENDER. Mr. President, will the Senator from Alabama yield?

Mr. HILL. I yield to my friend, the Senator from Louisiana.

Mr. ELLENDER. Is it correct that these enumerated staff members—constituting one chief clerk, six professional staff members, and eight clerks—are to be in addition to the number provided under the Reorganization Act of 1946?

Mr. HILL. Yes. However, the first additional position called for is that of assistant chief clerk, not chief clerk.

Mr. ELLENDER. Can the Senator from Alabama give us an idea of what the cost will be? In other words, as I pointed out last year, this seems to be a new method of approach. Instead of organizing subcommittees, and requesting funds for them, the committee requests an increase in the size of its professional staff. Is it not correct that instead of having 4 professional staff members, as allowed under the Reorganization Act, the committee is requesting 6 additional ones, which would make a total of 10 professional staff members?

Mr. HILL. That is correct.

Mr. ELLENDER. And in addition to the 6 clericals, as provided for under the Reorganization Act, the committee is requesting 8 more, which would make a total of 14 clericals?

Mr. HILL. No; the total would be 12.

Mr. ELLENDER. No; six clericals are provided for under the Reorganization Act, and the committee has a clerk and an assistant clerk—

Mr. HILL. Oh, including the clerk and the assistant clerk and then what we term the clerical assistants, the Senator from Louisiana is correct; that would be six.

Mr. ELLENDER. Does the Senator have any figures in regard to the charge to the contingent fund last year?

Mr. HILL. Yes; the corresponding resolution last year cost the Senate \$119,632.82. I would say to the Senator from Louisiana that because of the cost-of-living pay increase which was allowed last year, the amount this year would necessarily be somewhat larger than the \$119,632.82.

Mr. ELLENDER. Let me ask the Senator from Alabama whether any other resolutions for his committee are in the offing, or whether some with which I am not familiar may have been adopted already?

From the resolutions the Senate will consider today, I notice that a brandnew special committee is to be formed to study aging. This is a subject which has been under the jurisdiction of the committee of which my good friend, the Senator from Alabama, is chairman. As I remember, last year that subcommittee had approximately \$85,000 to spend.

Mr. HILL. That is correct.

Mr. ELLENDER. This subcommittee has held hearings for at least 2 years. As a result of those hearings, as I understand it, the committee reported a measure known as the McNamara bill for the aged, which we shall consider.

Mr. HILL. The McNamara bill was referred to the Finance Committee, of course, because it involved an amendment to the Social Security Act, and a tax.

Mr. ELLENDER. Yes. But that bill is a product of the subcommittee's work, is it not?

Mr. HILL. That is correct.

Mr. ELLENDER. While the Senator from Alabama is on his feet, I assume that he is going either to defend or to promote the proposal for the creation of the new special committee, which is proposed to be formed outside the jurisdiction of his own committee. In that connection, I should like to find out whether—

Mr. HILL. Let me say to my distinguished friend, the Senator from Louisiana, that the new special committee—as proposed by a resolution reported by the Senate Committee on Rules and Administration, and now on the calendar—will not be a subcommittee of the Committee on Labor and Public Welfare; neither will it have any direct connection with that committee. Instead, the special committee will be a separate one.

The distinguished Senator from Michigan [Mr. McNAMARA] is here, and is the author of the resolution; and I am sure that when it comes before us, he will go into detail in regard to the reasons for establishing the special committee, which will have no direct connection with the Committee on Labor and Public Welfare.

Mr. ELLENDER. However, are we to understand that the only additional help to be provided the Committee on Labor and Public Welfare, of which the Senator from Alabama is chairman, are the professional staff members and clerical assistants provided for in the pending resolution?

Mr. HILL. Except—and I wish to make this very clear—that we have a Subcommittee on Migratory Labor, headed by the Senator from New Jersey [Mr. WILLIAMS]. Last year that subcommittee had \$50,000 for its operations. The Senator from New Jersey advises me that the subcommittee has not yet completed its work; and no doubt he will be here to request additional funds in order to permit the subcommittee to complete and conclude that work.

Mr. ELLENDER. However, we have not yet been asked to make that allowance, have we?

Mr. HILL. No; but the resolution covering that matter—it is Senate Resolution 86—is now before the Committee on Labor and Public Welfare.

Mr. ELLENDER. However, so far as the Senator knows—

Mr. HILL. So far as I know—and I think I know the situation rather well—that will be the only one from our committee which will call for additional funds.

Mr. ELLENDER. I thank the Senator from Alabama.

Mr. AIKEN. Mr. President, will the Senator from Alabama yield to me?

Mr. HILL. I yield.

Mr. AIKEN. Do I correctly understand that these additional funds will enable the Committee on Labor and Public Welfare to make a more thorough study of the needs of the aged and elderly people?

Mr. HILL. No. I may say to the distinguished Senator from Vermont that now on the calendar is Senate Resolution 33, calendar 41, a separate resolution, which would set up a special committee on the aged. It would not be a subcommittee of the Committee on Labor and Public Welfare, and it would have no direct connection with the Committee on Labor and Public Welfare. Instead, it would be a separate special committee.

Mr. AIKEN. I understand that a bill to provide hospital care for the aged was received this morning from the White House.

Mr. HILL. It came this morning?

Mr. AIKEN. I read about that just now on the news ticker. We usually read about such things on the ticker before they actually happen, of course.

Mr. HILL. I cannot say as to that; but judging from what I know from the press and generally, that bill will be an amendment to the Social Security Act; and therefore the bill will not be referred to the Committee on Labor and Public Welfare; instead, inasmuch as the bill involves a tax, it will be referred to the Finance Committee.

Mr. AIKEN. I accept the explanation.

If the bill had been referred to the committee headed by the Senator from Alabama, I was going to point out that apparently the President now includes under the coverage of the bill retired railway workers who are organized, and retired Federal employees who are organized, and all other aged people who are organized; and I was going to ask the Senator from Alabama whether he would be sure that some study would be made of the plight of the 2 million or 3 million persons who are not organized, who do not belong to any organization, but who can suffer just as much as if they belonged to a high-powered organization which was in a position to wield influence at election times.

Mr. HILL. As I have previously stated, the resolution which calls for the establishment of a Special Committee on the Aging has not yet been adopted. If the resolution is adopted and if the special committee, called for by the resolution is established, it will not have any direct connection with the Committee on Labor and Public Welfare. But I am sure the distinguished author of the resolution, the Senator from Michigan [Mr. McNAMARA], will certainly do exactly what the Senator from Vermont has suggested; namely, go into the question of providing hospitalization for persons who are not organized, just as much as into the question of providing hospitalization for persons who may belong to organizations.

Mr. AIKEN. I express the hope that the Senator from Alabama will be a member of that special committee, because I know his heart is big enough so that he will wish to look after persons who are not in a position to hire a spokesman in Washington to look after their interests.

Mr. HILL. I thank the Senator from Vermont for his compliment.

The PRESIDING OFFICER (Mr. CANNON in the chair). The question is on agreeing to Senate Resolution 70.

The resolution (S. Res. 70) was agreed to, as follows:

Resolved, That the Committee on Labor and Public Welfare is authorized from February 1, 1961, through January 31, 1962, to employ one additional assistant chief clerk, six additional professional staff members, and eight additional clerical assistants to be paid from the contingent fund of the Senate at rates of compensation to be fixed by the chairman in accordance with section 202(e), as amended, of the Legislative Reorganization Act of 1946, and the provisions of Public Law 4, Eightieth Congress, approved February 19, 1947, as amended.

PRINTING OF ADDITIONAL COPIES OF COMMITTEE PRINT ENTITLED "ORGANIZING FOR NATIONAL SECURITY—SELECTED MATERIALS"

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 29, Senate Resolution 71.

The motion was agreed to; and the Senate proceeded to the consideration of the resolution (S. Res. 71), to print additional copies of a committee print entitled "Organizing for National Security—Selected Materials," which was agreed to as follows:

Resolved, That there be printed for the use of the Committee on Government Operations two thousand additional copies of the committee print entitled "Organizing for National Security—Selected Materials," issued by that committee during the Eighty-sixth Congress, second session.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be printed in the RECORD at this point a letter from the Senator from Washington [Mr. JACKSON] urging the adoption of the resolution.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON GOVERNMENT
OPERATIONS, SUBCOMMITTEE ON
NATIONAL POLICY MACHINERY,
January 27, 1961.

HON. MIKE MANSFIELD,
Chairman, Committee on Rules and Administration, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: On January 26, 1961, Senate Resolution 71 authorizing the Committee on Government Operations to print 2,000 additional copies of the committee print, "Organizing for National Security—Selected Materials" was reported favorably by the committee to the Senate.

This publication is a part of the study of the Subcommittee on National Policy Machinery. Our original allowance for these materials has been exhausted but the demand continues. Many college libraries, scholars, research organizations, and inter-

ested private citizens are finding these materials most useful. The subcommittee would like to be able to continue to provide copies to those who want them. The publication is attached.

We would be most grateful for your cooperation in obtaining authority for the printing of additional copies, as provided for in Senate Resolution 71.

Sincerely yours,

HENRY M. JACKSON,
U.S. Senate, Chairman, Subcommittee
on National Policy Machinery.

PRINTING OF ADDITIONAL COPIES OF SENATE REPORT 1096, 86TH CONGRESS

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 30, Senate Resolution 72.

The PRESIDING OFFICER. The resolution will be stated by title.

The LEGISLATIVE CLERK. A resolution (S. Res. 72) to print additional copies of Senate Report 1096, 86th Congress, entitled "National Policy Machinery in Communist China."

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the resolution.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have a letter in explanation of the resolution printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON GOVERNMENT
OPERATIONS, SUBCOMMITTEE ON
NATIONAL POLICY MACHINERY,
January 27, 1961.

HON. MIKE MANSFIELD,
Chairman, Committee on Rules and Administration, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: On January 26, 1961, Senate Resolution 72 authorizing the Committee on Government Operations to print 2,000 additional copies of Senate Report No. 1096, 86th Congress, "National Policy Machinery in Communist China" was reported favorably by the committee to the Senate.

This publication is a part of the study of the Subcommittee on National Policy Machinery. Our original allowance for these materials has been exhausted but the demand continues. Many college libraries, scholars, research organizations, and interested private citizens are finding these materials most useful. The subcommittee would like to be able to continue to provide copies to those who want them. The publication is attached.

We would be most grateful for your cooperation in obtaining authority for the printing of additional copies, as provided for in Senate Resolution 72.

Sincerely yours,

HENRY M. JACKSON,
U.S. Senator, Chairman, Subcommittee
on National Policy Machinery.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 72) was agreed to, as follows:

Resolved, That there be printed for the use of the Committee on Government Operations

two thousand additional copies of Senate Report Numbered 1096, Eighty-sixth Congress, second session, entitled "National Policy Machinery in Communist China".

PRINTING OF ADDITIONAL COPIES OF PART 1 OF HEARINGS EN- TITLED "ORGANIZING FOR NA- TIONAL SECURITY"

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 31, Senate Resolution 73.

The PRESIDING OFFICER. The resolution will be stated by title.

The LEGISLATIVE CLERK. A resolution (S. Res. 73) to print additional copies of part 1 of the hearings entitled "Organizing for National Security."

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the resolution.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a letter in explanation of the resolution.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE, COMMITTEE ON GOVERNMENT OPERATIONS, SUBCOMMITTEE ON NATIONAL POLICY MACHINERY,
January 27, 1961.

HON. MIKE MANSFIELD,
Chairman, Committee on Rules and Administration, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: On January 26, 1961, Senate Resolution 73 authorizing the Committee on Government Operations to print 2,500 additional copies of "Organizing for National Security—Part I, Hearings" was reported favorably by the committee to the Senate.

This publication is a part of the study of the Subcommittee on National Policy Machinery. Our original allowance for these materials has been exhausted but the demand continues. Many college libraries, scholars, research organizations, and interested private citizens are finding these materials most useful. The subcommittee would like to be able to continue to provide copies to those who want them. The publication is attached.

We would be most grateful for your cooperation in obtaining authority for the printing of additional copies, as provided for in Senate Resolution 73.

Sincerely yours,

HENRY M. JACKSON,
U.S. Senate, Chairman, Subcommittee
on National Policy Machinery.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 73) was agreed to, as follows:

Resolved, That there be printed for the use of the Committee on Government Operations two thousand five hundred additional copies of part 1 of the hearings entitled "Organizing for National Security" which were held by that committee during the second session of the Eighty-sixth Congress.

INVESTIGATION OF MATTERS PERTAINING TO GOVERNMENT CHARTERS, HOLIDAYS, AND CELEBRATIONS

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 32, Senate Resolution 75.

The PRESIDING OFFICER. The resolution will be stated by title.

The LEGISLATIVE CLERK. A resolution (S. Res. 75) to investigate matters pertaining to Government charters, holidays, and celebrations.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the resolution.

Mr. MANSFIELD. Mr. President, in explanation of the resolution I ask unanimous consent to have printed in the RECORD at this point a letter which I have received from the Senator from Mississippi [Mr. EASTLAND], Chairman of the Committee on the Judiciary.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON THE JUDICIARY,
January 26, 1961.

HON. MIKE MANSFIELD,
Chairman, Committee on Rules and Administration, U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: I am enclosing a copy of an original resolution for the standing Subcommittee on Federal Charters, Holidays, and Celebrations, which has been approved by the Committee on the Judiciary.

The number of legislative proposals referred to this standing subcommittee has become increasingly greater year after year to the extent that the activities of this subcommittee require the services of a clerical assistant for the subcommittee. The committee, therefore, approved the sum of \$7,500 in order to afford one clerical assistant for this subcommittee.

I believe it most appropriate that this resolution to provide modest funds for the Subcommittee on Federal Charters, Holidays, and Celebrations should be approved by the Senate at an early date.

With kindest regards, I am,

Sincerely yours,

JAMES O. EASTLAND,
Chairman.

Mr. ELLENDER. Mr. President, as I stated a moment ago, this is one of the resolutions which would create a new subcommittee. It pertains to an investigation, or, may I say, consideration, before the Judiciary Committee, of Federal charters, holidays, and celebrations. The amount asked is \$7,500.

I think a resolution of this kind is just driving matters into the ground, when we are asked to provide extra money for a committee to look into Federal charters, holidays, and celebrations.

As I pointed out last week, when quite a few resolutions were before the Senate, the Judiciary Committee already has 13 subcommittees. Here we are asked to create another one, making 14 subcommittees altogether.

I pointed out, further, that in addition to the regular amount of funds that

are given to the committee under the Reorganization Act, amounting to some \$160,000, these subcommittees are organized, and they will spend an additional million and a half dollars.

It strikes me this subcommittee should not be created. The amount involved, although small, will entail work in respect to charters, holidays, and celebrations. That work could certainly be considered by one of the other existing subcommittees. For instance, there is the Administrative Practice and Procedure Subcommittee. Second, there is the Antitrust and Monopoly Subcommittee. Third, there is the Constitutional Amendments Subcommittee.

It strikes me that the Subcommittee on Constitutional Amendments is an appropriate one to make special studies of Federal charters, holidays, and celebrations, if such studies are in fact necessary. There are several other subcommittees where this work could be centered.

I repeat what I have often said—that once one of these subcommittees is created, it goes on and on and on. Every year, with very few exceptions, they all come back for either the same amount or, in most cases, more money. It strikes me that the Senate ought to put a stop to that procedure. I certainly believe the creation of another subcommittee in the Judiciary Committee is uncalled for and unwarranted, and I do hope the Senate agrees with me this time.

Mr. MANSFIELD. Mr. President, may I say, with regard to this subcommittee, that it is not a new subcommittee, but has been in operation for some years now. It is a subcommittee headed by the distinguished minority leader, the Senator from Illinois [Mr. DIRKSEN]. There is a certain amount of clerical work connected with this subcommittee, relating to weekday holidays, and whatnot. Up to this time the Senator from Illinois has had to fall back on his own office force to do the work which was needed.

It was the contention of the Senator from Illinois, in a letter to the chairman of the Committee on Rules and Administration, and also before that committee, and in a speech made in the Senate a week or 10 days ago, that he needed the clerical assistance; otherwise the burden would fall on his own office staff.

This is the first time the distinguished minority leader has asked for this kind of help, although he has been chairman of the subcommittee for several years. He has been able to carry out the clerical duties of that subcommittee by using members of his own office staff to make up the deficiency.

Mr. ELLENDER. I wonder if he tried to get some of this work done by some of the 13 other subcommittees in the Judiciary Committee.

Mr. MANSFIELD. I did not ask him that.

Mr. ELLENDER. The place is running over with employees. It strikes me he ought to be able easily to get them to help. I contend this is a new subcommittee. I do not know of any time when

any money was ever asked for by that subcommittee.

Mr. MANSFIELD. No; but the work has been in existence.

Mr. ELLENDER. Well, in my view, this is a new committee. The work may have been in existence. It strikes me that this is work that the regular committee could do. Under the Reorganization Act, the committee has four professional staff members, a clerk, an assistant clerk, and four clericals. It strikes me that the little work that may be entailed could be done by the committee, instead of creating a separate subcommittee in order to get \$7,500 for it. In my view, the request is going far beyond what we should do. I wonder what the regular committee is going to do if the subcommittees do all the work. It is that simple.

Mr. MANSFIELD. I may point out that this subcommittee was created with the approval of the full Judiciary Committee. This subcommittee has its approval.

Mr. ELLENDER. I do not doubt such action is unanimous when the subcommittees bring up resolutions, even as to such requests before the committee of which the Senator from Montana is a member. It might be that a committee may reduce a request by \$10,000 or \$25,000 where the committee does not have the heart to request from the Senate the amount which the subcommittee has requested. But all these actions are taken unanimously. And, if I may say so, there is usually very little objection raised by any of the members of the committee. However, the Committee on Agriculture and Forestry, of which I am chairman, and I think the Finance Committee as well, have no subcommittees that receive money. We do all the work with our own staffs. We are not only able to do the work with our own staff, but we send back to the Treasury a few dollars every year.

I think we are simply driving this procedure into the ground, and we ought to stop it in some way. I think it is shameful.

Mr. MANSFIELD. All I can say, in reply, is that the committee does the very best it can, within its limitations.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

Mr. ELLENDER. Mr. President, I ask for a division.

On a division, the resolution (S. Res. 75) was agreed to, as follows:

Resolved, That the Committee on the Judiciary, or any duly authorized subcommittee thereof, is authorized under sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdiction specified by rule XXV of the Standing Rules of the Senate to consider all matters pertaining to Federal charters, holidays, and celebrations.

Sec. 2. For the purposes of this resolution the committee, from February 1, 1961, to January 31, 1962, inclusive, is authorized to (1) make such expenditures as it deems advisable; (2) to employ upon a temporary basis, technical, clerical, and other assistants and consultants; and (3) with the prior consent of the heads of the departments or

agencies concerned, and the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.

Sec. 3. Expenses of the committee, under this resolution, which shall not exceed \$7,500, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

INVESTIGATION OF MATTERS RELATING TO PUBLIC AND PRIVATE HOUSING

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 33, Senate Resolution 25.

The PRESIDING OFFICER. The resolution will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A resolution (S. Res. 25) authorizing the Committee on Banking and Currency to investigate matters relating to public and private housing.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the resolution, which had been reported from the Committee on Rules and Administration, with an amendment, on page 2, line 7, after the word "than", where it appears the first time, to strike out "\$1,200" and insert "\$1,400", so as to make the resolution read:

Resolved, That the Committee on Banking and Currency, or any duly authorized subcommittee thereof, is authorized under sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdiction specified by rule XXV of the Standing Rules of the Senate, to examine, investigate, and make a complete study of any and all matters pertaining to public and private housing.

Sec. 2. For the purposes of this resolution the committee, from February 1, 1961, to January 31, 1962, inclusive, is authorized to (1) make such expenditures as it deems advisable; (2) to employ, upon a temporary basis, technical, clerical, and other assistants and consultants: *Provided*, That the minority is authorized to select one person for appointment, and the person so selected shall be appointed and his compensation shall be so fixed that his gross rate shall not be less by more than \$1,400 than the highest gross rate paid to any other employee; and (3) with the prior consent of the heads of the departments or agencies concerned, and the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.

Sec. 3. The committee shall report its findings, together with its recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than January 31, 1962.

Sec. 4. Expenses of the committee, under this resolution, which shall not exceed \$107,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

Mr. MANSFIELD. Mr. President, the funds requested in the resolution will be used by the Subcommittee on Housing of the Committee on Banking and

Currency to continue its study and investigation of matters relating to public and private housing.

It can be anticipated that the Senate will receive a comprehensive housing program from the President. This program must be studied from the standpoint of existing programs and other proposals and recommendations before action can be taken by the committee.

The subcommittee report on mortgage credit contains 10 recommendations as possible ways and means of providing a stable flow of mortgage credit with which to meet the minimum housing needs of the Nation during the 10-year period beginning January 1961. Three of these recommendations were incorporated in the Housing Act of 1960, which, as stated, was not acted upon by the House of Representatives. In addition, certain Federal agencies were requested to submit by January 1, 1961, supplemental reports on the subject of mortgage credit. Reports and recommendations have been received from the Housing and Home Finance Agency, the Federal Housing Administration, the

Federal Home Loan Bank Board, and the Federal Reserve Board on these four recommendations. These reports must be studied to determine whether it is feasible to incorporate the agencies' recommendations in 1961 housing legislation. It is the responsibility of the Housing Subcommittee to review and study these reports.

Mr. ELLENDER. Mr. President, I ask unanimous consent that there be printed in the RECORD at the end of my remarks with respect to each of the resolutions previously agreed to today the budgets submitted by the respective committees.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Louisiana? The Chair hears none, and it is so ordered.

Mr. ELLENDER. Mr. President, I ask unanimous consent that the budget submitted for the study of Federal housing programs be printed in the RECORD at this point.

There being no objection, the budget was ordered to be printed in the RECORD, as follows:

Budget

Position	Number	Base salary (per annum)	Gross salary (per annum)	Monthly salary (gross)	Total for period of budget (gross)
STAFF					
Legal and investigative:					
Staff director.....	1	\$8,000	\$16,102.90	\$1,341.90	\$16,102.90
Counsel.....	1	8,000	16,102.90	1,341.90	16,102.90
Counsel.....	1	6,000	12,587.99	1,048.99	12,587.99
Investigator.....	1	3,600	8,117.89	676.49	8,117.89
Editorial and research:					
Research director.....	1	6,000	12,587.99	1,048.99	12,587.99
Administrative and clerical:					
Assistant clerk (secretary to director).....	1	3,000	6,902.74	575.22	6,902.74
Assistant clerk (secretary).....	1	2,940	6,650.70	554.97	6,650.70
Staff assistant.....	1	6,000	12,587.99	1,048.99	12,587.99
Total.....	8				91,650.10
ADMINISTRATIVE					
Contribution to employees health benefit programs (Public Law 86-352, effective July 1, 1960).....					648.00
Contribution to civil service retirement fund (6 1/4 percent of total salaries paid).....					5,957.26
Contribution to employees Federal employees group life insurance (27 cents per month per \$1,000 coverage).....					298.08
Travel (inclusive of field investigations).....					3,000.00
Hearings (inclusive of reporters' fees).....					3,000.00
Witness fees, expenses.....					1,000.00
Stationery, office supplies.....					200.00
Communications (telephone, telegraph).....					300.00
Newspapers, magazines, documents.....					200.00
Contingent fund.....					740.56
Total.....					15,349.90
Grand total.....					107,000.00

Mr. ELLENDER. As I understand the majority leader, the amount has been increased \$7,000 to take care of the recent pay raise?

Mr. MANSFIELD. That is correct.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The resolution (S. Res. 25), as amended, was agreed to.

STUDY OF INTERAGENCY COORDINATION, ECONOMY, AND EFFICIENCY

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the

consideration of Calendar No. 34, Senate Resolution 26.

The PRESIDING OFFICER. The resolution will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A resolution (S. Res. 26) to authorize a study of interagency coordination, economy, and efficiency.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the resolution, which had been reported from the Committee on Rules and Administration, with an amendment, on page 2, line 6, after the word "than", where it

appears the first time, to strike out "\$1,200" and insert "\$1,400", so as to make the resolution read:

Resolved, That the Committee on Government Operations, or any duly authorized subcommittee thereof, is authorized under sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdiction specified by rule XXV of the Standing Rules of the Senate, to examine, investigate, and make a complete study of any and all matters pertaining to interagency coordination, economy, and efficiency.

Sec. 2. For the purposes of this resolution the committee, from February 1, 1961, through January 31, 1962, is authorized to (1) make such expenditures as it deems advisable; (2) employ upon a temporary basis, technical, clerical, and other assistants and consultants: *Provided*, That the minority is authorized at its discretion to select one person for appointment, and the person so selected shall be appointed and his compensation shall be so fixed that his gross rate shall not be less by more than \$1,400 than the highest gross rate paid to any other employee; and (3) with the prior consent of the heads of the departments or agencies concerned, and the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.

Sec. 3. The committee shall report its findings upon the study and investigation authorized by this resolution, together with its recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than January 31, 1962.

Sec. 4. Expenses of the committee, under this resolution, which shall not exceed \$75,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

Mr. MANSFIELD. Mr. President, the purpose of this resolution is to authorize the Senate Committee on Government Operations to continue, in effect, to conduct its study of interagency coordination, economy, and efficiency.

CONTINUATION OF PRESENT STUDY

This goal is identical to the goal of the present authority under which a subcommittee of the Committee on Government Operations has been carrying out a study under Senate Resolution 255, sections 1 to 4, 86th Congress.

TEN THOUSAND DOLLARS LESS REQUIRED

So far as funds are concerned, Senate Resolution 26 proposes \$75,000 for the continued study.

By contrast, Senate Resolution 255, sections 1 to 4 authorized \$85,000 for the present study. Of this latter sum, approximately \$23,500 will be returned.

ACHIEVEMENTS OF PRIOR STUDY

The report of the Senate Committee on Rules and Administration, Senate Report No. 36, cites on pages 5 and 6 a memorandum which it received on the substantial results of the work of the Committee on Government Operations to date.

The work has been performed by the Subcommittee on Reorganization and International Organizations of which the senior Senator from Minnesota [Mr. HUMPHREY] is chairman.

THREE PHASES OF PRIOR STUDY

The work under Senate Resolution 255, sections 1 to 4 has been threefold:

First. Completion of an international health study.

Second. Study of coordination of Federal agencies' activities in biomedical research.

Third. Study of coordination of Federal agencies' activities in physical sciences research.

VAST SUMS OF MONEY INVOLVED

In effect, for an outlay in 1960 of \$63,-500, the Senate has benefited from a thorough review of how these infinitely larger totals of Federal money have been spent.

First. For international health, \$130 million a year.

Second. For Federal biomedical research, \$650 million a year.

Third. For physical sciences research, development, testing, and evaluation, \$7½ billion a year.

The results of the subcommittee's past study are now at the Government Printing Office in a two-volume report.

VAST SCOPE OF TWO-VOLUME REPORT

The report brings together, I understand, information never before available, on the Federal Government's total research effort. This effort involves 160,000 research projects in all the sciences, 120,000 research scientists, 240,000 research engineers, and 7,000 facilities.

SEVEN TYPES OF RECOMMENDATIONS

The report contains numerous recommendations for: (a) reforms in budgeting and accounting, (b) improved research coordination, (c) review of certain existing Federal publications to determine whether they are necessary, (d) better use of existing Federal information systems, (e) strengthening of the science information exchange, (f) improved salvaging of information from hundreds of millions of dollars of canceled Defense Department projects, and (g) study of duplication of research projects in the Defense Department.

PROPOSED FUTURE REVIEW

Naturally, in studying an \$8 billion research program, it could not be expected that the Committee on Government Operations could already have completed the review, in 1 year, and with but one full-time professional employee.

With the new authority under Senate Resolution 26, the past study can therefore be carried to a logical conclusion.

Useful leads which have been developed can be pursued. And the taxpayers' investment in Federal research can be further capitalized upon.

AVOIDING WASTEFUL DUPLICATION

The Reorganization Subcommittee has concentrated, in effect, on finding out about the dissemination of the results of research. It notes that it is of little value for scientists to discover new knowledge if it is not disseminated to other scientists efficiently and economically. If this does not occur, U.S. scientists may go on, wastefully repeating experiments which have been made years and years

ago, but which have not been fully reported or reported at all.

NO DUPLICATION OF OTHER'S WORK

The Senior Senator from Minnesota has asked me to assure our colleagues that the study under his chairmanship in no way duplicates the work of (a) any other Subcommittee of the Committee on Government Operations, or of (b) any other committee of the Senate.

WORK OF OTHER GOVERNMENT OPERATIONS SUBCOMMITTEE

Thus, with regard to the Committee on Government Operations (a) the Reorganization Subcommittee does not review any problem of malfeasance or misfeasance such as the Subcommittee on Investigations investigates—Calendar No. 35, Senate Resolution 69—(b) the Reorganization Subcommittee does not explore issues essentially involving the President, the National Security Council and other top policy issues such as the Subcommittee on National Policy Machinery takes up—Calendar No. 25, Senate Resolution 20.

All three subcommittees of the Committee on Government Operations have as their common objective economy and efficiency. That is the parent committee's responsibility under rule XXV of the rules of the Senate.

But each subcommittee is exploring economy and efficiency in totally different areas.

NONDUPLICATION WITH OTHER COMMITTEES

So far as other committees of the Senate are concerned, the subcommittee also carefully avoids duplication. The Reorganization Subcommittee looks at issues from a governmentwide standpoint; it looks at interagency, not intra-agency problems, and it concentrates on budgeting and accounting, economy and efficiency, as required under the legislative reorganization law.

EXTRA PERSONNEL NEEDED

It should be stressed that rule XXV confers upon the Committee on Government Operations responsibility for studies of economy and efficiency.

The committee cannot make these studies unless it has extra personnel, such as Senate Resolution 26 provides.

All regular professional staff members of the committee are engaged in legislative duties, so an additional modest-size staff is necessary.

UNANIMOUS CONSENT FOR INSERTION OF MEMORANDUM

Finally, by way of background, I ask unanimous consent that a memorandum by the senior Senator from Minnesota elaborating on the work of his subcommittee be printed in the RECORD at this point.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MEMORANDUM BY SENATOR HUBERT H. HUMPHREY—BACKGROUND ON THE MEDICAL WORK OF SUBCOMMITTEE ON REORGANIZATION AND INTERNATIONAL ORGANIZATIONS, COMMITTEE ON GOVERNMENT OPERATIONS

This memorandum bears upon one phase of our subcommittee's work—its study of Fed-

eral health activities, particularly biomedical research.

The subcommittee has been handling this problem, as delegated to us by the chairman of the Senate Committee on Government Operations, the Honorable JOHN J. McCLELLAN, pursuant to Senate Resolution 347, 85th Congress, Senate Resolution 42, 86th Congress, and Senate Resolution 255, sections 1-4, 86th Congress.

Work performed under these various studies can be seen in numerous publications which have been issued by the subcommittee.

TWELVE PUBLICATIONS ISSUED TO DATE

As I have previously reported to the Senate on January 30, on pages 1410 and 1411 of the CONGRESSIONAL RECORD, 10 committee prints and 2 hearing volumes have already been issued. Numerous other committee prints are in process.

All of the publications to date bear upon the life sciences; several future publications bear upon the physical sciences.

This memorandum relates to the examination of Federal work in life sciences.

FAVORABLE REACTIONS TO STUDIES

Hundreds of letters of commendation on the subcommittee's work have poured into our office.

These messages have come from men and women of great repute—from winners of the Nobel Prize, the Distinguished Service Medal, of the American Medical Association, the Lasker Award and other scientific honors.

The messages have come from voluntary health agencies, foundations, pharmaceutical companies, and many other sources, as well.

OUR FINDINGS HAVE LED TO ACTION

What is most important, however, is that findings in our various publications have already, we believe, contributed to thinking and action within the executive branch.

Let me cite but two instances on two different phases of the work under our medical research study alone.

OUR STUDY OF GOVERNMENT-WIDE RESEARCH

Under this study, we have been looking at Federal biomedical research as a whole. This research in the 1960 fiscal year adds up to around \$650 million in direct and indirect outlay.

But we have asked the question: Is the research, as supported by 10 different Federal agencies as fully coordinated as it might be?

The preponderance of the research is, of course, carried out by the National Institutes of Health. It has been and is doing a great job. But in the 1960 fiscal year, other Federal agencies were also heavily engaged in biomedical research.

The overall figures which were compiled for the first time by our subcommittee showed those totals of U.S. Government-supported research: 22,924 projects, \$455,101,592 direct outlay.

Of this total, NIH aggregated 12,065 projects, \$260,685,770 direct outlay.

Agencies and divisions outside NIH, within the Health, Education, and Welfare Department and elsewhere, aggregated 10,859 projects, \$194,415,822 direct outlay.

In our review, we have had fine cooperation from Dr. James Shannon, the able Director of the National Institutes of Health and from other Federal research administrators.

INTERAGENCY TEAMWORK

I am glad to report many gratifying evidences of cooperation, coordination, and collaboration between the various Federal agencies supporting biomedical research.

But science is developing so rapidly, the dimensions are expanding so fast, that, in-

evitably more can and should be done in interagency teamwork.

In our study, our subcommittee has been examining, therefore, ways and means by which there could be greater coordination.

This means: (a) at the level of top policy—in the White House and the Executive Office of the President, (b) at the interagency level on the part of administrators, and (c) at the working scientist level on the part of researchers.

Each of these levels involves different problems. Let me cite now two particular instances of an interagency challenge.

PRESIDENT KENNEDY'S REFERENCES IN HEALTH MESSAGE

Both of these instances were referred to by President John F. Kennedy in his great message to the Congress on health and hospital care on February 9, 1961.

I refer to (a) child health, and (b) physical fitness.

In both of these instances, our subcommittee has long been exploring the Government-wide picture.

In his message, as printed in the CONGRESSIONAL RECORD on page 2002, President Kennedy proposed a new National Institute of Child Health and Human Development "which will include a center for research in child health, as well as other broad ranging health research activities, not now covered by specialized work of the existing Institutes."

In the same message, President Kennedy designated the Secretary of HEW as the Chairman of the President's Council on Youth Fitness. The President stated that he had asked the Secretary for a report on the adequacy of existing school health programs and what changes, if any, are needed in the Federal Government's role in the stimulation of such programs.

On both of these subjects, the Subcommittee on Reorganization and International Organizations has, I am glad to state, now developed considerable information on opportunity for increased teamwork among Federal agencies.

It has been our feeling that it is not enough for a multitude of Federal agencies to perform work in child health or for a multitude to make small contributions to problems of physical fitness. What is needed is to mobilize the scattered Federal efforts on these fronts so that the whole becomes greater than the sum of the parts.

As we all know, a good football squad is more than a collection of individuals. It is a team which functions in unison.

Much has been accomplished along these lines, but much remains to be accomplished.

STUDY OF CONGENITAL MALFORMATIONS

Let me note specifically what the President stated at his press conference on Wednesday, February 8, as reported in the New York Times on page 18, the following day:

"Three, with the approval of Secretary Abraham A. Ribicoff (of the Department of Health, Education, and Welfare), I am directing the Surgeon General to organize and establish within the Public Health Service a child health center, to deal with the special health problems of children. This is a matter of particular interest to me.

"Some 400,000 babies are born each year with congenital malformations. I don't think as a country, nationally, and as a matter of fact I don't think probably, privately we have done enough on research into the causes of mental retardation.

"And while a good deal of effort is being expended in this country for the care of these children, I do think it is most important that we devote special effort in the coming months and years to research in the causes of it. And I am, therefore, delighted

that we are going to proceed ahead with Governor Ribicoff's strong support."

The President's observations struck a particularly resonant chord.

As far back as November 1958, in Paris, it was my privilege to meet with French scientists in the first of a long series of reviews on the problem of strengthening international cooperation in research on congenital malformations. For a period of 2¼ years, our subcommittee has been studying perinatal research.

In this process, we have had outstanding cooperation from the National Institute of Neurological Diseases and Blindness and its Director, Dr. Richard Masland, who developed an excellent report for us on this subject.

I could not agree more heartily, therefore, with President Kennedy in that we need more research into the causes of congenital defects.

This country is paying a staggering price; all countries are paying a staggering price—in both tangible and intangible losses—because of the blight of defects with which countless infants are ushered into life.

And so, since August 1960, our subcommittee has been working with the U.S. Children's Bureau in a Government-wide report on existing Federal research on child research problems.

What I am saying, therefore, is that the data which we have been developing has been contributing to the foundations for further action in the executive and legislative branches.

NEED FOR FITNESS EFFORT

On the issue of physical fitness, our subcommittee has been in close contact with the President's Council on Youth Fitness. The Council has done much good work as a catalyst among the Federal agencies and with a vast number of nongovernmental organizations interested in the well-being of our citizens, young and old.

As President Kennedy stated, however, in his hard-hitting article in the December 26, 1960, Sports Illustrated: "It is time for the United States to move forward with a national program to improve the fitness of all Americans."

It is clear that the President is going to see to it that this is exactly what occurs. The Nation will be indebted to him for his further leadership along this line.

And if I may speak for the six members of our own subcommittee, we will, I am sure, be glad to cooperate to the fullest, as will other committees of the Congress.

Because of our particular vantage point—in surveying the organization of the total Federal effort, not just the effort of one or two agencies—our subcommittee can, we feel, render particular service in assuring Federal coordination.

Our overall health study has been oriented to positive health, not just the study of disease and disability. Our interest is in full, wholesome lives for all 180 million Americans and for those who will follow after us.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. ELLENDER. As I understand the proposal, the worldwide health and medical research subcommittee, created sometime ago, has finished its work and has made a report. This represents a continuation of the same subcommittee, but it was labeled "Reorganization and International Organizations." Am I correct in that understanding?

Mr. MANSFIELD. Yes. It is the same subcommittee with a different emphasis.

Mr. ELLENDER. I understand. I think the record shows that the subcommittee was to complete its work in regard to worldwide health and medical research.

Mr. MANSFIELD. The Senator is correct.

Mr. ELLENDER. That is what the record shows. Now, is the subcommittee to be recreated and given a new name?

Mr. MANSFIELD. It is to be given increased emphasis.

Mr. ELLENDER. What will this subcommittee do which was not done by the previous subcommittee?

Mr. MANSFIELD. The Senator will recall that only a few minutes ago I stated the threefold purposes of the subcommittee.

Mr. ELLENDER. Yes.

Mr. MANSFIELD. These indicate the increased emphasis to be placed in an entirely new field.

Mr. ELLENDER. In other words, we should conclude this is really not a continuation of the work of a subcommittee but is the creation of a new subcommittee in that field?

Mr. MANSFIELD. No. I would say it is the old subcommittee with added emphasis.

Mr. ELLENDER. But the name has been changed. Why could not something like this be handled by the Committee on Foreign Relations? Why should the Committee on Government Operations handle matters of this character when, as a matter of fact, it strikes me, this is a field which should be handled by the Committee on Foreign Relations?

Mr. MANSFIELD. As the Senator knows, referring to the standing rules for the Senate, so far as the Committee on Government Operations is concerned its responsibility includes studying the operation of Government activities at all levels with a view to determining its economy and efficiency.

The Senator from Louisiana knows better than I do how wide ranging the responsibility and authority of the Committee on Government Operations are. While this may come in conflict with the responsibility and authority of other committees, such as the Committee on Foreign Relations, nevertheless under the Reorganization Act the committee does have such authority.

It is to be hoped that if there is a possibility of conflict an accommodation can be arrived at which will recognize the legitimate territory to be covered by each committee.

Mr. ELLENDER. Does the Senator have any idea as to how long the subcommittee will be in operation?

Mr. MANSFIELD. No. Unfortunately, I cannot answer that question.

Mr. ELLENDER. Then the life of the subcommittee is to be indefinite. I guess it will be in operation in perpetuity.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the budget submitted, by the subcommittee.

There being no objection, the budget was ordered to be printed in the RECORD.

Budget

Position	Number	Base salary (per annum)	Gross salary (per annum)	Monthly salary (gross)	Total for period of budget (gross)
STAFF					
Legal and investigative: General counsel or staff director.....	1	\$8,000	\$16,102.90	\$1,341.90	\$16,102.90
Editorial and research: Research assistant.....	2	4,380	9,576.07	798.00	19,152.14
Administrative and clerical:					
Chief clerk.....	1	3,900	8,603.95	716.99	8,603.95
Assistant clerk.....	1	2,880	6,538.19	544.84	6,538.19
Do.....	1	2,760	6,295.16	524.59	6,295.16
Typist.....	1	2,100	4,958.49	413.20	4,958.49
Subtotal, staff.....	7				61,650.83
ADMINISTRATIVE					
Contribution to employees health benefit programs (Public Law 86-382, effective July 1, 1960).....					323.65
Contribution to civil service retirement fund (6½ percent of total salaries paid).....					2,855.28
Contribution to Federal employees group life insurance (27 cents per month per \$1,000 coverage).....					237.24
Reimbursable payments to agencies.....					4,000.00
Travel (inclusive of field investigations).....					1,000.00
Hearings (inclusive of reporters' fees).....					3,000.00
Witness fees, expenses.....					300.00
Stationery, office supplies.....					300.00
Communications (telephone, telegraph).....					200.00
Newspapers, magazines, documents.....					200.00
Contingent fund.....					933.00
Subtotal, administrative.....					13,349.17
Total.....					75,000.00

Mr. ELLENDER. I note that under "Legal and investigative: General Counsel or Staff Director" there is listed one person. Under "Editorial and research: Research assistant" two people are listed. Under "Administrative and clerical" there are four employees listed. This make a total of seven jobs to be filled.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The resolution (S. Res. 26) as amended, was agreed to.

INVESTIGATION OF EFFICIENCY AND ECONOMY OF OPERATIONS IN THE FEDERAL GOVERNMENT

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 35, Senate Resolution 69.

The PRESIDING OFFICER. The resolution will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A resolution (S. Res. 69) to investigate the efficiency and economy of operations of the Federal Government.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the resolution, which had been reported from the Committee on Rules and Administration, with an amendment, on page 5, line 10, after the word "than", to strike out "\$1,200" and insert "\$1,400", so as to make the resolution read:

Resolved, That in holding hearings, reporting such hearings, and making investigations as authorized by section 134 of the Legislative Reorganization Act of 1946 and in accordance with its jurisdiction under rule XXV of the Standing Rules of the Senate, the Committee on Government Operations, or

any subcommittee thereof, is authorized from February 1, 1961, through January 31, 1962, to make investigations into the efficiency and economy of operations of all branches of the Government including the possible existence of fraud, misfeasance, malfeasance, collusion, mismanagement, incompetence, corruption or unethical practices, waste, extravagance, conflicts of interest, and the improper expenditure of Government funds, in transactions, contracts, and activities of the Government or of Government officials and employees and any and all such improper practices between Government personnel and corporations, individuals, companies, or persons affiliated therewith, doing business with the Government; and the compliance or noncompliance of such corporations, companies, or individuals or other entities with the rules, regulations, and laws governing the various governmental agencies and its relationships with the public: *Provided*, That in carrying out the duties herein set forth, the inquiries of this committee shall not be deemed limited to the records, functions, and operations of the particular branch of the Government under inquiry, and may extend to the records and activities of persons, corporations, or other entities dealing with or affecting that particular branch of the Government, and that:

Sec. 2. The Committee on Government Operations or any duly authorized subcommittee thereof be further authorized from February 1, 1961, to January 31, 1962, inclusive, to conduct an investigation and study of the extent to which criminal or other improper practices or activities are, or have been engaged in in the field of labor-management relations or in groups or organizations of employees or employers, to the detriment of interests of the public, employers, or employees, and to determine whether any changes are required in the laws of the United States in order to protect such interests against the occurrence of such practices or activities. Nothing contained in this resolution shall affect or impair the exercise by the Committee on Labor and Public Welfare of any power, or the discharge by such committee of any duty, conferred or imposed upon it by the Standing Rules of the Senate or by the Legislative Reorganization Act of 1946.

Sec. 3. The Committee on Government Operations or any duly authorized subcom-

mittee thereof is further authorized and directed from February 1, 1961, to January 31, 1962, inclusive, to make a full and complete study and investigation of syndicated or organized crime which may operate in or otherwise utilize the facilities of interstate or international commerce in furtherance of any transactions which are in violation of the law of the United States or of the State in which the transactions occur, and, if so, the manner and extent to which, and the identity of the persons, firms, or corporations, or other entities by whom such utilization is being made, what facilities, devices, methods, techniques, and technicalities are being used or employed, and whether or not organized crime utilizes such interstate facilities or otherwise operates in interstate commerce for the development of corrupting influences in violation of the law of the United States or the laws of any State, and further, to study and investigate the manner in which and the extent to which persons engaged in organized criminal activities have infiltrated into lawful business enterprise; and to study the adequacy of Federal laws to prevent the operations of organized crime in interstate or international commerce; and to determine whether any changes are required in the laws of the United States in order to protect the public against the occurrences of such practices or activities.

Sec. 4. The Committee on Government Operations or any of its duly authorized subcommittees shall report to the Senate by January 31, 1962, and shall, if deemed appropriate, include in its report specific legislative recommendations.

Sec. 5. For the purposes of this resolution, the committee from February 1, 1961, to January 31, 1962, inclusive, is authorized, as it deems necessary and appropriate to (1) make such expenditures from the contingent fund of the Senate; (2) hold such hearings; (3) sit and act at such times and places during the sessions, recesses, and adjournment periods of the Senate; (4) require by subpoena or otherwise the attendance of such witnesses and production of such correspondence, books, papers, and documents; (5) administer such oaths; (6) take such testimony, either orally or by deposition; (7) employ on a temporary basis such technical, clerical, and other assistants and consultants; and (8) with the proper consent of the executive department or agency concerned and the Committee on Rules and Administration, employ on a reimbursable basis such executive branch personnel as it deems advisable; and further, with the consent of other committees or subcommittees to work in conjunction with and utilize their staffs, as it shall be deemed necessary and appropriate in the judgment of the chairman of the committee: *Provided further*, That the minority is authorized to select one person for appointment and the person selected shall be appointed and his compensation shall be so fixed that his gross rate shall not be less by more than \$1,400 than the highest gross rate paid to any other employee.

Sec. 6. The expenses of the committee under this resolution, which shall not exceed \$390,000, shall be paid from the contingent fund of the Senate on vouchers approved by the chairman of the committee.

The PRESIDING OFFICER (Mr. PELL in the chair). The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

Mr. McCLELLAN. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. On page 4, line 8, it is proposed to insert the following immediately after the period:

Nothing contained in this resolution shall affect or impair the exercise by the Committee on the Judiciary or by the Committee on Interstate and Foreign Commerce of any power or the discharge by such committee of any duty conferred or imposed upon it by the Standing Rules of the Senate or by the Legislative Reorganization Act of 1946.

Mr. McCLELLAN. Mr. President, the purpose of the amendment is to clarify and make certain that it is not the intent of the resolution in any way to deprive or to detract from the powers and authority now vested by the rules of the Senate in the regular standing Committee on the Judiciary, and also the Committee on Interstate and Foreign Commerce. We have the same provision in the resolution with respect to the Committee on Labor and Public Welfare. The purpose and the necessity for the amendment is brought about because the resolution has now been broadened, at the suggestion of the leadership and others, to include authority to follow up, whenever in the course of an investigation that we have been conducting, we discover organized or syndicated crime, when it affects or creates a burden upon, or interferes or hampers interstate commerce. It would be in that field only, I should think, in which the Federal Government would have such authority.

In a sense the resolution actually contains three authorities. It is a resolution that has been adopted from year to year for the subcommittee of the Senate Committee on Government Operations, known as the Senate Permanent Subcommittee on Investigations.

Senators will recall that last year the authority under which the committee has operated in previous years was broadened to include the same functions and authority that had been vested in the Senate Select Committee To Investigate Improper Activities in Labor-Management Relations. The added provision would give the committee authority, in instances in which the committee found it needed such authority, that it did not have previously. It would give it authority to pursue its investigations into organized or syndicated crime that would be a burden on interstate commerce. The purpose of the amendment is to state definitely, as we have with reference to the Committee on Labor and Public Welfare, that the resolution does not take any authority away from those committees in their regular legislative fields. That is true, just as the Select Committee To Investigate Improper Activities in Labor-Management Relations did not report proposed legislation. It reported only recommendations.

The committee could, of course, introduce a bill, but any bill which that committee might introduce or any bill which this committee would introduce would have to be referred to the regular legislative committees. If the subject concerned labor, it would be referred to the Committee on Labor and Public Welfare. In this instance, if the subject were

crime affecting interstate commerce, naturally, the bill would be referred to the Committee on the Judiciary or the Committee on Interstate and Foreign Commerce, if either of those committees has jurisdiction of such proposed legislation.

This committee is purely an investigating committee. It makes its report on the findings and submits recommendations with respect to legislation.

Mr. President, since my good friend the distinguished Senator from Louisiana [Mr. ELLENDER] is in the Chamber and probably will wish to interrogate me, I should like to add that last year the committee submitted two resolutions.

The first resolution would authorize the committee to carry out its functions under the regular rules of the Senate. Then, as Senators will recall, an additional resolution conferring the authority of the Senate Select Committee To Investigate Improper Practices in Labor-Management Relations was agreed to at the time the select committee expired. Additional funds were granted. Approximately \$75,000 of additional funds were granted at that time, making a total of \$350,000 that the committee was authorized to spend this last year. We did not spend all of that amount. We are returning some \$60,000 of it. At that time we did not have this additional authority or the additional duty to perform.

The return of that money was due partially to the particular conditions that prevailed last year.

Members of the committee last year were not able to give as much time and effort to the work of the committee as they normally do, and as they expect to do this year.

For the RECORD I should like to say that in the past the committee has always returned money. It has never thrown any money away. It has a heavy task. Yet insofar as the work of the committee in either of these fields is concerned, there are unlimited opportunities, and it is only a question of how much time members of the committee can give to this work. As I have said repeatedly, the committee cannot carry on as extensive investigations as it did for 3 years in the labor-management field.

It is impossible for a committee to work that hard continuously and consistently in this investigative field without neglecting some of its other duties. Members of the committee have had to perform this work at times possibly to the neglect of other senatorial duties. Yet I think it wholly unnecessary for me to dwell on the importance of this work. Senators know what the work of this committee has been.

I am now happy to yield to the distinguished Senator from Louisiana.

Mr. ELLENDER. The Senator from Arkansas mentioned organized crime as the third category which he expects to look into. Could such investigation not have been accomplished under the regular resolution?

Mr. McCLELLAN. No; it could not. The Senator has spoken about the au-

thority of other committees. Proposed legislation affecting various agencies of Government would be referred to the various committees having jurisdiction. But the investigative power to investigate every dollar of expenditure made by Government, the investigative power to look into any agency or activity of Government to determine its economy or efficiency, is vested in this committee. That is one reason the select committee was established in the labor-management field. We got into that area and found that the Government was being imposed upon by racketeers. But when we went outside the Government itself to investigate and find out what was going on, we found that we did not have jurisdiction. The Senator from Louisiana will recall the circumstances under which the Senate select committee was established.

Mr. ELLENDER. A select committee was created.

Mr. McCLELLAN. Afterward; and then we transferred those powers back. In other words, those powers are now vested in the Committee on Government Operations. We gave full time to just one phase of the investigation and spent some \$700,000 or \$800,000 a year. That was a very great job. We propose not to work that hard. We cannot do that much, as I pointed out. The amount requested will enable us to pursue the cases that are most prominent or those that indicate the need for committee action and investigation. That is what we hope to do.

Mr. ELLENDER. The committee of which the Senator is chairman is now embarking on a new phase of the investigation. What connection has that investigation with the statement made by the new Attorney General to the effect that he was going after organized crime in a big way?

Is it that the Senator is going to give the Attorney General assistance, or is there any such connection?

Mr. McCLELLAN. I would not say that there is any direct connection. I have advocated, as the Senator may know, and last year I joined in the introduction of a bill to carry out my advocacy, that there is a need for a national crime commission to investigate interstate and syndicated crime. However, there is no direct relationship.

I may say that, just as in connection with the select committee, and just as in connection with the Government Operation Committee's Permanent Subcommittee on Investigations, we make investigations which reveal information which is helpful to an agency of the Government, such as the Justice Department or the Internal Revenue Service, or the Department of the Treasury, or any other agency. When that happens we make the information available to the agency. Sometimes it is not made available immediately, and at other times it is made available as we go along. We work in a cooperative fashion. However, so far as any special significance is concerned, there is none.

Mr. ELLENDER. Mr. President, will the Senator yield further?

Mr. McCLELLAN. I yield.

Mr. ELLENDER. It strikes me that we are barging into an area belonging to the executive department in a situation like this. Why would it not be within the province of the Justice Department or grand juries throughout the United States to make these investigations and bring the culprits to justice? Why, for example, should Congress stir up the matter to obtain that information and in turn give it to the Justice Department? That is what is sought to be done here. It seems to me to be an encroachment on the executive department.

Mr. McCLELLAN. I do not believe it is any more than any investigation into fields of Government might be an encroachment on the province of an agency of the Government. I say that because the Department of Justice acts only on the basis of laws which Congress enacts. If present laws are inadequate, or if the Department is not able to deal effectively with organized crime, that fact might be developed and legislation to strengthen the existing laws could then be enacted. That is the theory behind all congressional investigations. It is to determine with respect to the administration of existing law and with respect to the effect of existing law the adequacy of existing law, and whether additional legislation is needed.

Mr. ELLENDER. I am not opposing the proposal before the Senate. I am merely trying to find a reason for it. We are asked to create a committee with a great deal of power. It is power which I believe could be exercised by the Attorney General if only he attempted to do so. We have sufficient law on the statute books to punish those who commit crime. It strikes me that the type of investigation suggested by the resolution would be more or less for the purpose of obtaining facts that could readily be obtained by grand juries. If it is found that there is a violation by any group of criminals, it would be up to the Attorney General to proceed to prosecute them. That is what is in my mind in asking these questions. If the resolution were adopted we would have an arm of the legislative branch of the Government engaged in more or less doing work that should be within the province of grand juries and the Department of Justice, not the legislative department.

Mr. McCLELLAN. After all, there is a measure of economy involved here. The Senator will recall that particularly with respect to the Select Committee, we are now trying to reduce things. We have reduced it to the point where it will have authority in existence if it is necessary to employ that power. I believe that we had better do it this way than to have it suggested that another Select Committee be established. It is better to keep the power where we can use it when we need it.

Mr. ELLENDER. I am not questioning the cost at all. It is simply the method that is sought to be applied. As I see it, we are barging into what should

be within the province of the Justice Department. To follow through on and prosecute organized crime should be the work of the Department of Justice. Certainly there are laws against all the crimes that I know of. What will be the result if the committee finds out something that a grand jury already knows? Does the Senator believe it will be more effective with the Attorney General than if a grand jury exposes it and brings it to his attention?

Mr. McCLELLAN. As I have indicated the committee was not set up especially for the purpose of aiding the Department of Justice. The theory is to aid Congress, as well as the Department of Justice. Many times we have found conditions to exist which we have referred to the Department of Justice, and, I believe, with good results. This did not originate with organized crime as such, but I may point out in this respect an instance where we have uncovered a situation which called for the suspension of a high Government official. The Attorney General may have the authority, or a grand jury may have the authority. However, we alert agencies of the Government to conditions that prevail, and give the department an opportunity to bring about economy and efficiency by removing such officials where such things occur.

What I have cited is not directly related, but I may point out that in the

course of the investigation into the labor-management field we found instances where there was organized crime, where we found a muscling in on legitimate business and legitimate labor in that field. However, we were not able to pursue it to the fullest extent, because when we went beyond the labor and management relations field, we had no authority to pursue the matter further.

Mr. ELLENDER. I can well understand that. However, it would be possible, with the creation of the committee, to take the place of grand juries and to make investigations. That is what I am contending.

Were the Department of Justice to do its duty as it should, prosecutions could be started now. I am sure the FBI furnishes a great deal of crime data to the Department of Justice, and I am sure prosecutions are carried out because of these exposures. It strikes me that the proposal before us is only another way of the legislative branch expanding, as it were, to assist the executive department. Whether that is good or bad, I do not know. However, it strikes me that it is going rather far.

At this time, Mr. President, I ask unanimous consent that the budget submitted to the Committee on Rules and Administration be printed in the Record.

There being no objection, the budget was ordered to be printed in the Record, as follows:

Senate permanent Subcommittee on Investigations of the Committee on Government Operations—Financial statement under authority of S. Res. 246 and sec. 5 of S. Res. 255

Authorization under S. Res. 246.....			\$275,000.00
Authorization under sec. 5 of S. Res. 255.....			75,000.00
Total.....			350,000.00
	<i>S. Res. 246</i>	<i>S. Res. 255</i>	
	<i>(Feb. 1- Dec. 31, 1960)</i>	<i>(sec. 6) (Apr. 1- Dec. 31, 1960)</i>	
Expenditures:			
Salaries.....	\$175,228.62	\$40,352.87	
Contract (accounting).....	2,804.62	6,000.00	
Per diem (investigators).....	6,000.00	3,369.00	
Travel (investigators).....	8,204.00	3,901.69	
Recording proceedings.....	606.00	663.00	
Witness fees.....	399.00	1,014.00	
Witness travel.....	174.16	2,041.08	
Office supplies.....	303.35	140.34	
Telephone and telegraph.....	1,259.45	3,287.28	
Postage.....	82.98	5.75	
Documents.....	254.14	49.24	
Miscellaneous.....	47.06	143.46	
Total.....	195,454.07	60,967.71	
Expenses for Jan. 1-31, 1960 (approximate).....	23,000.00	11,000.00	
Total.....	218,454.07	71,967.71	
Total expenditures.....			290,421.78
Unexpended balance, S. Res. 246.....		56,545.93	
Unexpended balance, sec. 5 of S. Res. 255.....		3,032.29	
Total unexpended balance.....			59,578.22
Total.....			350,000.00

The PRESIDING OFFICER (Mr. PELL in the chair). The question is on agreeing to the amendment offered by the Senator from Arkansas.

The amendment was agreed to.

Mr. McCLELLAN. Mr. President, was the amendment I offered adopted? I believe it was.

The PRESIDING OFFICER. It was agreed to.

The question is on agreeing to the resolution, as amended.

The resolution (S. Res. 69), as amended, was agreed to.

INVESTIGATION OF CERTAIN MATTERS BY THE COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 36, Senate Resolution 74.

The PRESIDING OFFICER. The resolution will be stated by title.

The LEGISLATIVE CLERK. A resolution (S. Res. 74) authorizing the Committee on Interstate and Foreign Commerce to

investigate certain matters within its jurisdiction.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the resolution, which had been reported from the Committee on Rules and Administration, with an amendment, on page 2, line 21, after the word "than", to strike out "\$1,200" and insert "\$1,400", so as to make the resolution read:

Resolved, That the Committee on Interstate and Foreign Commerce, or any duly authorized subcommittee thereof is authorized under sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdictions specified by rule XXV of the Standing Rules of the Senate, to examine, investigate, and make a complete study of any and all matters pertaining to—

- (1) interstate commerce generally;
- (2) foreign commerce generally;
- (3) maritime matters;
- (4) interoceanic canals;
- (5) transportation policy;
- (6) domestic surface transportation, including pipelines;
- (7) communications, including a complete review of national and international telecommunications and the use of communications satellites;
- (8) Federal power matters;
- (9) civil aeronautics;
- (10) fisheries and wildlife;
- (11) marine sciences; and
- (12) Weather Bureau operations and planning, including the use of weather satellites.

SEC. 2. For the purposes of this resolution the committee, from February 1, 1961, to January 31, 1962, inclusive, is authorized (1) to make such expenditures as it deems advisable; (2) to employ, upon a temporary basis, technical, clerical, and other assistants and consultants: *Provided*, That the minority is authorized to select one person for appointment, and the person so selected shall be appointed and his compensation shall be so fixed that his gross rate shall not be less by more than \$1,400 than the highest gross rate paid to any other employee; and (3) with the prior consent of the heads of the departments or agencies concerned, and the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.

SEC. 3. The committee shall report its findings, together with its recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than January 31, 1962.

SEC. 4. Expenses of the committee, under this resolution, which shall not exceed \$315,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

Mr. MANSFIELD. Mr. President, the resolution authorizes the Committee on Interstate and Foreign Commerce, or any duly authorized subcommittee thereof, from February 1, 1961, through January 31, 1962, to examine, investigate, and make a complete study of any and all matters pertaining to—

- First. Interstate commerce generally.
- Second. Foreign commerce generally.
- Third. Maritime matters.
- Fourth. Interoceanic canals.
- Fifth. Transportation policy.

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Sixth. Domestic surface transportation, including pipelines.

Seventh. Communications, including a complete review of national and international telecommunications and the use of communications satellites.

Eighth. Federal power matters.

Ninth. Civil aeronautics.

Tenth. Fisheries and Wildlife.

Eleventh. Marine sciences.

Twelfth. Weather Bureau operations and planning, including the use of weather satellites.

Under Senate Resolution 243, of the 86th Congress, 2d session, the committee was originally granted \$291,595, but this amount was increased during the year to \$303,120, in order to meet salary increases authorized and directed by the Senate.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD excerpts having to do with the responsibilities of the committee, including marine sciences, merchant marine and fisheries, communications, aviation, and surface transportation.

There being no objection, the excerpts from a letter, dated January 30, 1961, addressed to Hon. MIKE MANSFIELD, chairman of the Committee on Rules and Administration, from Hon. WARREN G. MAGNUSON, chairman of the Committee on Interstate and Foreign Commerce, were ordered to be printed in the RECORD, as follows:

This resolution would authorize the Committee on Interstate and Foreign Commerce to expend not more than \$315,000 between February 1, 1961, and January 31, 1962, upon studies and investigations of any and all matters within its jurisdiction. Under Senate Resolution 243, 86th Congress, 2d session, this committee was originally granted \$291,595, but this amount was increased during the year to \$303,120, in order to meet salary increases authorized and directed by the Senate.

It would appear, therefore, that we are requesting an increase in the amount of \$11,880, and while this is a modest figure in itself, the facts are that our committee was authorized by the Senate to expend a total of \$620,520 during 1960 (S. Res. 243, S. Res. 244, and S. Res. 305). This request then is actually lower by \$305,000 than the funds available to us last year.

YEAR 1961

This committee is faced with a heavy program for the 1st session of the 87th Congress. A clue to our problem is obvious in the fact that the agencies of Government over which we have legislative oversight anticipate budgets totaling \$1,846,966,000. In addition, we share responsibility for military air transportation, and military sea transportation, and the two would add almost a billion dollars to the budget figure. In other words, we have responsibility to oversee agencies of the Government spending almost \$3 billion each year.

As your committee knows, we operated through standing and special subcommittees. As we see our program for 1961, and of course circumstances may change our plans, it appears as follows:

MARINE SCIENCES

Over and above the everyday problems of our marine industry, is our lag, and it is a real lag, behind some of the major nations of the world, in oceanography. We believe

that the United States is lagging in this scientific field, due in part to absence of a national policy, in part to lack of coordination of efforts, activities, and data by Federal agencies engaged in marine research, biology, and surveys, or in providing facilities for such undertakings.

In the Department of Commerce, the U.S. Weather Bureau, Coast and Geodetic Survey, and Maritime Board are engaged to some degree in scientific and technological marine programs, while the National Bureau of Standards has perfected instruments to assist them.

In the Department of the Interior, the U.S. Fish and Wildlife Service, the U.S. Geological Survey, and Bureau of Mines have direct interests in the resources of the oceans.

The Office of Education of the Health, Education, and Welfare Department has, or should have, concern for the training of marine scientists.

The Department of the Navy is vitally concerned with the problems presented by undersea operation and protection against enemy submarines in the event of emergency, and for that reason has been the major support for basic oceanographic research projects in many private institutions.

The Atomic Energy Commission has an important role in the design and operation of nuclear-powered ships, in nuclear tests in the marine environment, in ascertaining the effects of fallout on marine life, and in determining the feasibility or risk of disposal of atomic wastes.

The National Science Foundation is directed under the Foundation Act of 1950 to develop and encourage the pursuit of a national policy for the promotion of basic research and education in the sciences, to initiate and support such research, to evaluate the research programs undertaken by Federal agencies, and to correlate its programs with those undertaken by public and private research groups.

On June 22, 1959, Senate Resolution 136, recommending long-range intensification of marine research, coordination of agency programs, and cooperation with foreign nations in such research on a reciprocal basis subject to approval by the President, was introduced and referred to this committee. The resolution was reported unanimously and, on July 15, was agreed to by the Senate.

On September 11, 1959, S. 2692, cited as the "Marine Sciences and Research Act of 1959," to effectuate through legislation the objectives of the aforementioned resolution, was introduced.

This measure was approved by the Senate on June 23, 1960, but failed in the House. We intend to hear this legislation again, and we are confident it will pass. It is most important to our Nation, but in considering our request for funds, it should be remembered that all this work must be done over, and it should be remembered that this committee was directed to look into this whole problem (S. Res. 136, 86th Cong.).

MERCHANT MARINE AND FISHERIES

We are still faced with the enactment of permanent legislation to authorize the use of dual-rate contract systems or other exclusive patronage arrangements by common carriers in conferences, approved under section 15 of the Shipping Act, 1916. It is of highest priority to U.S. vessel operators in the foreign trades. Current temporary authority for continuing such existing approved contracts (Public Law 542, 86th Cong.) will expire on June 30, 1961.

Extended hearings and a prompt and thorough study of this highly complex and controversial matter is deemed essential in the interests of the shipping conferences and

particularly of their member lines under U.S. registry.

Attention must be given to several phases of cargo preference legislation (Public Law 664, 83d Cong.), including the GAO ruling (temporarily in abeyance) regarding interpretation of section 901(b) of the Merchant Marine Act, 1936, as to computation of 50-percent allocation of Government aid and financed cargoes "separately for dry-bulk carriers, dry-cargo liners, and tankers."

There are also problems of the ocean bulk carriers, inasmuch as bulk cargoes—grains, ores, coal, and petroleum—now constitute two-thirds to three-fourths of our country's total export and import trade.

Only cargo preference has made it possible to maintain a minimum fleet of old, uneconomic bulk vessels. And oil import restrictions have hit the independent tanker industry hard. Owners of both types of vessels are asking assistance of one kind or another from Congress. Without an adequate U.S.-flag tramp fleet, our steel and aluminum industries could suffer drastically in an emergency. Suez pointed out dramatically the need for an adequate tanker fleet.

Coastal and intercoastal shipping must be given consideration, also, if the pitifully small present fleets are to be preserved and strengthened. Recent Interstate Commerce Commission and court decisions on railroad rate cuts aimed at competing, coastal, and intercoastal shipping suggest the need for consideration of legislation to protect these vital links in our country's water transport system.

We know that your committee understands these problems are not new. Rather they are continuing ones, and while we have held hearings, more will be necessary. A continued watchfulness is necessary if we are to do the job the Senate has assigned to us.

We plan hearings to review our maritime program generally, looking toward a program to increase the use of our ships by our citizen shippers, a formula to spread ship construction over all our coastlines, and to improve our merchant marine so that it may regain its proper place in the world.

With respect to fisheries and wildlife, we will again consider legislation on research and studies on insecticides, the Bristol Bay salmon fisheries, bounties on fish predators, fish passage facilities over river dams, and many and varied problems pertaining to game fish, commercial fisheries, and wildfowl and wild animal life.

Certain segments of our fishing industry are in a depressed condition and we must consider legislation to provide a program of assistance to enable them to regain a favorable economic status.

During 1959 we saw an alien fishing fleet move into waters adjacent to Alaska. We must consider legislation to improve and modernize our fishing industry in order to meet our foreign competition. We must not lose our fishing resources to other nations.

Sport fishing continues to grow in popularity and it is apparent it will continue to grow during the foreseeable future. Estimates are that the American public will spend millions of man-days fishing and hunting this year, representing an increase of over 500 percent since 1950. We will have before us legislation to promote effectual planning, development, maintenance, and coordination of this natural resource. A review of the operations of the Fish and Wildlife Service, Department of the Interior, is contemplated this session.

COMMUNICATIONS

Last year we held extensive hearings on legislation that proposed to amend section 315(a) of the Communications Act of 1934,

the equal time provisions with respect to political broadcasts. The result was legislation that exempted from that section for 1960 the candidates for the offices of President and Vice President of the United States. It was this legislation that enabled our broadcasting industry to present to the whole country what have become known as the great debates.

There is considerable support for legislation that would make the exemption permanent. We must review the effectiveness of our temporary exemption and hold hearings on S. 304, which would make it permanent.

The whole field of communications will be tremendously changed by the use of satellites, so dramatically demonstrated in the past few months. A policy for space communications, probably via the use of satellites, must be established, and this, of course, will lead to a review of the use of the entire spectrum by both military and civilian users.

The foregoing could well tie into a review of the Weather Bureau, its operations and planning. Certainly this Bureau must consider the feasibility of establishing polar-orbiting weather satellites.

TV channel allocation is a continuing problem, and we are forced to continue to urge the FCC to act. A special ad hoc committee of outstanding experts appointed by this committee to study the allocation of TV channels has reported and more hearings will be necessary. Our aim in this respect is to provide for a nationwide competitive television service. To date, the Federal Communications Commission has failed to develop a specific policy that would assure such a service. The Commission has indicated there are five courses open to it, namely:

1. A 50-channel VHF system, retaining the present 12 VHF channels;
2. A contiguous 50-channel VHF system, retaining the present VHF channels 7 to 12 and withdrawing from television use channels 2 to 6;
3. A contiguous 25-channel VHF system, retaining channels 7 to 13;
4. The present 82-channel VHF-UHF system; and
5. A 70-channel all-UHF system.

The Commission has also advised that "before it can finally agree on one or another of these alternatives, it must ascertain whether a wholesale reallocation of VHF spectrum space would be feasible and in the public interest. In this connection, the Commission is currently exploring with the Government (OCDM) the possibility of re-allocating the Government band above 216 megacycles to non-Government use." We are sure that a definite answer to these questions will be given within the next few months.

Subscription television is still a controversial issue, and the Commission has authorized limited tests.

Television network practices are under continued study. The television quiz scandals and payola practices necessitated a complete reappraisal of the adequacy of existing law. The public interest must be protected against fake, misleading, and deceptive practices in the broadcasting industry, but the industry must, in turn, be protected from what could become censorship. It is clear that continued hearings are essential.

We anticipate additional hearings on legislation concerning communications common carriers in the domestic and international fields. Over 17 years ago, Congress issued a mandate requiring Western Union to divest itself of its international operations. For a variety of reasons, this company is still unable to accomplish this divestiture and legislation may be necessary.

We are deeply concerned with the problems confronting educational television. We reported legislation on this subject last year, but the bill failed in the House. New developments and new legislation will necessitate additional hearings.

Extensive hearings were held by the committee on the community antenna and booster problems. The so-called booster bill passed the Congress and was signed by the President. The so-called community antenna bill was reported favorably by the committee but failed in the Senate. Further hearings were held on this entire subject during the adjournment period. This is an extremely controversial subject and will take up a great deal of the time of the committee.

AVIATION

We plan to continue our study of aviation safety, together with a study and review of the operations of the Federal Aviation Agency. While it is said that the air carrier industry has successfully made the transition from propeller to jet aircraft, the fact is that only one airline now is completely jet powered, and it is not a major trunkline. Further, we are faced with a recommendation to establish a program for the development of a supersonic transport aircraft, probably capable of speeds over 2,000 miles per hour, with the attendant changes in airfields and all other supporting equipment.

In this respect, the Federal Airport Act must be amended this year and extensive hearings will start in the very near future.

SURFACE TRANSPORTATION

We have our staff report on national transportation policy, which deals mostly with surface transport problems, and which raises very controversial questions. The Department of Commerce has also issued its report on this subject, neither of which will win any citation for brevity. They must be studied, hearings must be held, and possibly legislation prepared.

In addition, in the near future this committee will receive a report on the commuter problem. The study is of the New York-New Jersey area, and we can be sure that it will necessitate extensive hearings, some probably in the field.

The piggyback problem, truck versus rail, has become acute again, and we are being flooded with mail. The supply of freight cars, the discontinuance of passenger trains, railroad mergers, through and joint rates, the problem of Government ownership of the Alaska Railroad, all these problems merely highlight the workload we face in this field.

I have mentioned our transportation report. Our staff report on foreign trade will be in print soon, and this will lead to hearings and legislation. In fact the first of the hearings arising from this report are set for the first week in February, on S. 610, a bill to establish an Office of International Travel within the Department of Commerce. We can expect up to 100 bills from the executive departments, boards, and commissions over which we have jurisdiction, many of which will also require hearings so that proper information may be developed on them.

The workload of the Interstate and Foreign Commerce Committee is determined by our plans as highlighted above, together with whatever additional legislation is referred to us by the Senate. In view of our wide jurisdiction and the volume of work it covers, we believe you will agree with the unanimous views of our committee that this request is reasonable.

Mr. ELLENDER. Mr. President, I ask unanimous consent to have printed at this point in the RECORD the budget of

the Committee on Interstate and Foreign Commerce which was submitted to the Committee on Rules and Administration.

There being no objection, the budget was ordered to be printed in the RECORD, as follows:

Budget of the Committee on Interstate and Foreign Commerce to investigate certain matters under its jurisdiction pursuant to S. Res. 74, for the period of Feb. 1, 1961, through Jan. 31, 1962

Position	Number	Base salary (per annum)	Gross salary (per annum)	Monthly salary (gross)	Total for period of budget (gross)
STAFF					
Professional staff members in following general fields: Aviation, communications, marine sciences, general transportation, merchant marine and Coast Guard, fisheries and wildlife, auto-marketing practices, foreign commerce, and regulatory agencies.....	5	\$8,000	\$16,102.90	\$1,341.90	\$68,437.32
	1	7,320	14,907.83	1,242.31	3,726.96
	1	7,080	14,486.03	1,207.16	3,621.51
	1	6,180	12,904.32	1,075.36	12,904.32
	14	6,000	12,587.99	1,048.99	50,351.96
	1	5,520	11,744.39	978.69	11,744.39
	1	5,280	11,322.60	943.55	11,322.60
	1	4,980	10,756.25	896.35	10,756.25
	1	4,680	10,176.30	848.02	10,176.30
	1	4,560	9,940.62	828.38	9,940.62
	1	4,200	9,211.53	767.62	9,211.53
	1	4,080	8,968.51	747.37	2,242.13
	1	2,880	6,538.19	544.84	6,538.19
Clerical staff: Clerical assistants and stenographers.....	1	4,200	9,211.53	767.62	9,211.53
	2	2,940	6,659.70	554.97	13,319.40
	2	2,640	6,032.11	504.34	3,025.06
	1	2,580	5,930.60	494.21	5,930.60
	1	2,520	5,809.07	484.08	5,809.07
	2	2,460	5,687.56	473.96	11,875.12
	2	2,220	5,201.49	433.45	10,402.98
Total	31				270,048.84
ADMINISTRATIVE					
Contribution to civil service retirement fund (6 1/4 percent of total salaries).....					17,553.17
Contribution to employees health benefit programs (Public Law 86-382).....					2,514.72
Contribution to employees group life insurance (27 cents per month per \$1,000).....					1,088.64
Travel (inclusive of field investigations).....					14,000.00
Hearings (inclusive of reporters' fees).....					4,500.00
Stationery, office supplies.....					1,300.00
Communications (telephone, telegraph, postage).....					3,000.00
Newspapers, magazines, documents.....					200.00
Contingent fund.....					794.63
Total, administrative expense					44,951.16
Grand total, S. Res. 74					315,000.00

¹ Includes part-time consultants, 1 man-year.

Funds requested, S. Res. 74, \$315,000.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the resolution, as amended.

The resolution (S. Res. 74), as amended, was agreed to.

EXAMINATION AND REVIEW OF ADMINISTRATION OF THE TRADING WITH THE ENEMY ACT

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 37, Senate Resolution 60.

The PRESIDING OFFICER. The resolution will be stated by title.

The LEGISLATIVE CLERK. The resolution (S. Res. 60) to examine and review the administration of the Trading With the Enemy Act.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the resolution, which had been reported from the Committee on Rules and Administration,

with an amendment, on page 2, line 2, after the word "consultants", to insert a colon and "Provided, That if more than one counsel is employed, the minority is authorized to select one person for appointment, and the person so selected shall be appointed and his compensation shall be so fixed that his gross rate shall not be less by more than \$1,400 than the highest gross paid to any other employee"; and in line 16, after "January 31", to strike out "1961" and insert "1962", so as to make the resolution read:

Resolved, That the Committee on the Judiciary, or any duly authorized subcommittee thereof, is authorized under sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdiction specified by rule

XXV of the Standing Rules of the Senate, to conduct a further examination and review of the administration of the Trading With the Enemy Act, as amended, and the War Claims Act of 1948, as amended, and consider proposed legislation affecting said Acts.

SEC. 2. For the purposes of this resolution, the committee, from February 1, 1961, to January 31, 1962, inclusive, is authorized (1) to make such expenditures as it deems advisable; (2) to employ upon a temporary basis, technical, clerical, and other assistants and consultants: *Provided, That if more than one counsel is employed, the minority is authorized to select one person for appointment, and the person so selected shall be appointed and his compensation shall be so fixed that his gross rate shall not be less by more than \$1,400 than the highest gross paid to any other employee; and (3) with the prior consent of the heads of the departments or agencies concerned, and the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.*

SEC. 3. The committee shall report its findings, together with its recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than January 31, 1962.

SEC. 4. Expenses of the committee under this resolution, which shall not exceed \$45,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

Mr. JOHNSTON. Mr. President, I am chairman of the subcommittee which deals with matters relating to the resolution. Last year we received \$65,000. We returned to the Government, unexpended, approximately \$10,000. It will be noted that the resolution calls for \$45,000, which is a cut of almost one-third from the amount provided last year.

The subcommittee is trying to conclude this work. It will be noticed that each year in the past we have either returned funds or reduced the amount of funds needed. It is our sincere hope that we will be able in the coming year, with the cooperation of the Department of Justice and the Department of State, to bring this matter to a successful ending. At least, that is our hope. I am working with and have been having conferences with the representatives of the Department of State and also the Department of Justice in this matter, and there is a strong possibility of our being able to conclude the work this year.

Mr. ELLENDER. Mr. President, I say more power to the Senator.

I ask unanimous consent to have printed at this point in the RECORD the budget submitted by the Committee on Rules and Administration.

There being no objection, the budget was ordered to be printed in the RECORD, as follows:

Budget

Position	Number	Base salary (per annum)	Gross salary (per annum)	Monthly salary (gross)	Total for period of budget (gross)
STAFF					
Legal and investigative:					
Counsel.....	1	\$8,040	\$16,173.19	\$1,347.76	\$16,173.19
Investigator.....	1	2,280	5,323.02	443.68	5,323.02

Budget—Continued

Position	Number	Base salary (per annum)	Gross salary (per annum)	Monthly salary (gross)	Total for period of budget (gross)
STAFF—continued					
Administrative and clerical:					
Clerk.....	1	3,420	7,631.82	635.98	7,631.82
Clerk-typist.....	1	2,280	5,323.02	443.58	5,323.02
Stenographer.....	1	2,040	4,836.96	403.08	4,836.96
Total.....	5				39,288.01
ADMINISTRATIVE					
Contribution to employees health benefit programs (Public Law 86-382).....					140.00
Contribution to civil service retirement fund.....					2,553.72
Contribution to employees Federal employees group life insurance.....					132.84
Travel (inclusive of field investigations).....					300.00
Hearings (inclusive of reporters' fees).....					300.00
Witness fees, expenses.....					50.00
Stationery.....					375.00
Communications (telephone, telegraph).....					150.00
Newspapers, magazines, documents.....					50.00
Contingent fund.....					1,660.43
Total.....					5,711.99
Grand total.....					45,000.00

NOTE.—Funds requested, S. Res. 60, \$45,000.

Mr. JOHNSTON. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a statement relating to the resolution.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR JOHNSTON

Senate Resolution 60 provides the small sum of \$45,000 for the Judiciary Subcommittee on Trading With the Enemy Act. This is a reduction of \$20,000 from the amount carried in last year's Resolution No. 236. Of the \$65,000 authorized last year, by close economy, we were enabled to return an unexpended balance of approximately \$10,000.

During the year 1960, besides reviewing and examining the administration of the Trading With the Enemy Act and the War Claims Act of 1948, the subcommittee considered 17 separate and different bills. As a result of these studies, the Judiciary Committee favorably reported 7 bills to the Senate. These bills were pending for action by the Senate at the time of the adjournment last year.

From very recent press reports it would appear that executive negotiations are in process which may well lead to an agreeable legislative settlement of the vested assets problems. Upon the conclusion of the pending discussions, I feel legislation will be offered which, if enacted, will terminate one phase of the work of the subcommittee. The other phase relates to our war damage claims.

The previous administration submitted a war damage claims bill which was inadequate in some respects. I believe the new administration will recommend more comprehensive legislation which we will want the subcommittee to consider and act upon. Certainly this part of the twofold problem cannot be ignored or put off any longer.

While I would like to give assurance that the entire work of the subcommittee may be terminated this year, I cannot give this definite assurance until adequate war damage claims legislation has been formulated and enacted. The present administration must be given some time to formulate its recommendations and to submit the same for our consideration. I believe, however, that positive suggestions will be forthcoming and definite and final action is very much a possibility.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the resolution, as amended.

The resolution (S. Res. 60), as amended, was agreed to.

MAKING OF EXPENDITURES AND EMPLOYMENT OF TEMPORARY PERSONNEL BY THE COMMITTEE ON RULES AND ADMINISTRATION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 38, Senate Resolution 81.

The PRESIDING OFFICER. The resolution will be stated by title.

The LEGISLATIVE CLERK. A resolution (S. Res. 81) authorizing the Committee on Rules and Administration to make expenditures and to employ temporary personnel.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Montana.

The motion was agreed to; and the Senate proceeded to consider the resolution.

Mr. CANNON. Mr. President, Calendar No. 38, Senate Resolution 81, is an original resolution requesting the sum of \$100,000 for the use of the Subcommittee on Privileges and Elections for the fiscal year beginning February 1, 1961, and ending January 31, 1962.

The general election campaigns of 1960, the national publicity focused upon both campaigns for nomination, and election and the investigations conducted by the subcommittee following the receipt of complaints, all point to the real need for revision or replacement of laws pertaining to the overall elective process.

Obsolete or inadequate ceilings on campaign contributions and expendi-

tures and the lack of full public disclosure of the sources of such money and the manner in which it is spent was clearly demonstrated during the course of last year's campaigns.

Absence of a uniform system of nominating and electing candidates for the offices of President and Vice President of the United States resulted in tremendous expenses by candidates' political committees, and parties. Preference primaries were conducted in about 16 States, but not in others, and final selections were made only at the national conventions. Large numbers of voters feel that they have no real part to play in the selection of national candidates.

The vastly increased cost of radio and television broadcasts during political campaigns has raised the issue of granting some Federal assistance toward the payment of such broadcasts.

Thousands of voters, without fault on their part, have been deprived of the right to vote because of their failure to meet residence requirements due to removals from one State to another.

Many other issues were brought forth during 1960; some for the first time, and some for the third, fourth, or fifth time.

Mr. President, this year, in recognition of the election law problems which are in need of study and consideration, Members of the Senate have introduced a wide variety of legislative remedies.

S. 102, S. 228, and Senate Joint Resolution 10, introduced respectively by Senators ENGLE, MANSFIELD, and SMATHERS, propose studies and improvements in the existing methods of nominating and electing the President and Vice President.

S. 254 and S. 752, introduced by Senators BEALL, BYRD of Virginia, BUTLER, and CAPEHART, recommend broad changes in the Hatch Political Activities Act.

S. 165, introduced by Senators MORSE and HUMPHREY, would require detailed reports on all sources of income by certain Federal officers.

S. 604, introduced by Senator LONG of Missouri, calls for sweeping revision of the Federal Corrupt Practices Act.

S. 478, by Mr. JAVITS, would prohibit the payment of poll taxes.

Mr. President, all of those bills have been referred by the Committee on Rules and Administration to the Subcommittee on Privileges and Elections for consideration. They constitute a formidable array of legislative remedies ranging over the very comprehensive field of Federal election laws and related areas.

Adequate and painstaking study of those bills, as well as other matters chosen for research by the subcommittee, cannot be done overnight or on an inadequate budget. Studies, research, and public hearings must be scheduled, and an appropriation sufficient to meet that program must be commensurate with the value and importance of the work to be done.

The budget and report, as well as the resolution under consideration today, were approved first by the subcommittee and then unanimously by the full membership of the Rules Committee.

The staff consists at this time of three persons, and it will not be supplemented, except as needed, by competent personnel.

Mr. President, I request favorable approval of the resolution by the Senate.

Mr. President, I understand a number of other bills will be introduced, which will be referred to the Subcommittee on Privileges and Elections of the Committee on Rules and Administration.

At the present time, the committee has requested in the resolution \$100,000. This is \$60,000 less than the amount requested last year by the same subcommittee.

The subcommittee believes it can hold hearings on the proposed legislation and accomplish some very direct and beneficial results if the Senate sees fit to approve the resolution.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. CANNON. I yield.

Mr. ELLENDER. As I understand the original purpose of the subcommittee was merely to hold hearings in case of disputed elections. Is it correct that the subcommittee is now burdened with the duty of studying bills affecting elections?

Mr. CANNON. The Senator from Louisiana is correct. The subcommittee

is charged with investigating, examining, investigating, and making a complete study of any and all matters pertaining to the election of the President, Vice President, or Members of Congress; corrupt practices; contested elections; credentials and qualifications; Federal elections generally; and presidential succession.

Mr. ELLENDER. A while ago the Senator mentioned the figure of \$60,000. My record shows that the entire amount asked for last year, for this committee, was \$180,000. Am I correct or in error?

Mr. CANNON. The Senator has given an erroneous figure. The committee received an authorization last year for \$160,000, and of that figure spent approximately \$70,000. It is returning \$90,000 from last year's operations.

Mr. ELLENDER. So the amount of \$100,000 is \$60,000 less than was asked for last year?

Mr. CANNON. The Senator is correct.

Mr. ELLENDER. Mr. President, I ask unanimous consent that the budget submitted to the Committee on Rules and Administration be printed at this point in the Record.

There being no objection, the budget was ordered to be printed in the Record, as follows:

Budget

Position	Number	Base salary (per annum)	Gross salary (per annum)	Monthly salary (gross)	Total for period of budget (gross)
STAFF					
Legal and investigative:					
Chief counsel.....	1	\$8,040	\$16,173.19		\$16,173.19
Assistant counsel.....	1	4,860	10,524.28		10,524.28
Minority counsel.....	1	6,840	14,064.24		14,064.24
Chief investigator.....	1	4,620	10,060.30		10,060.30
Editorial and research:					
Research director.....	1	4,620	10,060.30		10,060.30
Research assistant.....	1	3,600	7,996.37		7,996.37
Administrative and clerical: Stenographer.....	2	2,400	5,566.05		11,132.10
Total.....	8				80,010.78
ADMINISTRATIVE					
Contribution to employees health benefit programs (Public Law 86-382, effective July 1, 1960).....					648.96
Contribution to civil service retirement fund (6 1/4 percent of total salaries paid).....					5,200.70
Contribution to employees Federal employees group life insurance (27 cents per month per \$1,000 coverage).....					275.40
Reimbursable payments to agencies.....					3,000.00
Travel (inclusive of field investigations).....					3,000.00
Hearings (inclusive of reporters' fees).....					1,000.00
Witness fees, expenses.....					2,500.00
Stationery, office supplies.....					1,000.00
Communications (telephone, telegraph).....					2,500.00
Newspapers, magazines, documents.....					500.00
Contingent fund.....					364.16
Total.....					19,989.22
Grand total.....					100,000.00

NOTE.—Funds requested, S. Res. 81, \$100,000.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 81) was agreed to, as follows:

Resolved, That the Committee on Rules and Administration, or any duly authorized subcommittee thereof, is authorized under sections 134(a) and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdictions specified by rule XXV of the Standing Rules of the Senate, to examine, investigate, and make a complete study of any and all matters pertaining to—

- (1) the election of the President, Vice President, or Members of Congress;
- (2) corrupt practices;
- (3) contested elections;
- (4) credentials and qualifications;
- (5) Federal elections generally; and
- (6) Presidential succession.

Sec. 2. For the purposes of this resolution the committee, from February 1, 1961, to January 31, 1962, inclusive is authorized (1) to make such expenditures as it deems advisable; (2) to employ upon a temporary basis technical, clerical, and other assistants and consultants: *Provided*, That the minority is authorized to select one person for

appointment, and the person so selected shall be appointed and his compensation shall be so fixed that his gross rate shall not be less by more than \$1,400 than the highest gross rate paid to any other employee; and (3) with the prior consent of the heads of the departments or agencies concerned, and the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities, and personnel of any of the departments or agencies of the Government.

Sec. 3. The Committee shall report its findings, together with its recommendations for legislation as it deems advisable, to the Senate at the earliest practicable date, but not later than January 31, 1962.

Sec. 4. Expenses of the committee, under this resolution, which shall not exceed \$100,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

HEALTH INSURANCE FOR THE AGED THROUGH SOCIAL SECURITY AND RAILROAD RETIREMENT SYSTEMS

Mr. ANDERSON. Mr. President, I ask unanimous consent to introduce, out of order, a bill to implement the President's proposal to provide health insurance for the aged through our social security and railroad retirement systems, and to make a statement thereon.

The PRESIDING OFFICER. The bill will be received and appropriately referred; and, without objection, the Senator from New Mexico may proceed with his statement.

The bill (S. 909) to provide for payment for hospital services, skilled nursing home services, and home health services furnished to aged beneficiaries under the old-age, survivors, and disability insurance program, and for other purposes, introduced by Mr. ANDERSON (for himself and Senators DOUGLAS, HARTKE, MCCARTHY, HUMPHREY, JACKSON, LONG of Hawaii, RANDOLPH, ENGLE, MAGNUSON, PELL, and BURDICK), was received, read twice by its title, and referred to the Committee on Finance.

Mr. ANDERSON. Mr. President, the President of the United States, in his special message on health and hospital care, has asked the Congress to take action to meet one of the most urgent challenges this country faces at home—action that will help the older generation of today and tomorrow, in your community and mine, meet a pressing problem that cannot be wished away. I know that the Congress will not turn aside from this challenge.

As a step toward the action that I believe the Senate will take to meet this great challenge, I am today introducing, for myself and other Senators, S. 909—a bill to implement the President's proposal to provide health insurance for the aged through our social security and railroad retirement systems. To say that this bill is very important to the millions of aged persons who sorely need help in meeting the costs of medical care is an understatement. The bill, which is a companion bill to H.R. 4222 already introduced in the House of Representatives by Representative CECIL R. KING of California, is vital to their welfare, to

the welfare of their families, and to the welfare of the Nation. I trust that we will soon have an opportunity to vote on it.

A SOUND APPROACH TO THE PROBLEM

My bill would finance the health care needs of the aged on a sound basis, without any drain on general revenues. It would do so through the tested mechanism of social insurance, making it possible for people to provide for their medical needs in old age during their working years as they do now for their income in old age. Like the present social security benefits, health insurance protection would be provided as a right that is earned through work and paid for out of earnings, and there would be no requirement that the aged persons or their relatives subject themselves to the humiliation of inquiry by the Government into their private affairs. Moreover, the health benefits would be provided without interfering with the patient's free choice of physician or facilities and without altering the present form or organization of medical practices.

The bill that we are introducing today has much similarity to the proposal that was cosponsored last session by our esteemed former colleague, President Kennedy, and received strong support in this body. At the same time, of course, there are differences between S. 909 and our proposal of last year. These differences make for a better program.

Like the earlier proposal, S. 909 would provide insurance to meet the cost of a wide range of services. It contains provisions designed to encourage the use of the most economical and most readily available type of service that will satisfactorily meet the need, rather than a more expensive type of service. Like the former proposal, the bill would require that the patient bear part of the cost of some of the services he gets, so that the cost of the program will be kept low, so that there will be safeguards against unnecessary use of health services, and so that the high administrative costs of handling small claims will be minimized. Finally, S. 909 again offers the all-important assurance that the Federal Government will not be supervising health care and health facilities. In short, the essential elements of the proposal of last year have been endorsed by the administration and are incorporated into S. 909.

IMPROVEMENTS OVER LAST YEAR'S PROPOSAL

While embodying the essentials of that proposal, the new plan in S. 909 includes substantial improvements. A great deal of study has been devoted to the subject of health care for the aged since the matter was considered in the Senate last August. The task force appointed by the President-elect soon after the November election has made significant contributions to the study of the problem. The distinguished specialists in the welfare and health fields who made up the task force reviewed the proposals for action relating to the health and welfare needs of the country, and formulated very helpful recommendations. The criticisms that were made of last year's proposal, including the objections that were raised during the debate in

the Senate, have been examined and evaluated by experts in medical care, social insurance, welfare, and financing; and steps have been taken to meet those that were found to have validity. As a result of this intensive work, a distinctly improved plan has been developed. I am highly gratified that this is so.

One of the improvements is that S. 909 would provide protection not only for elderly persons who are social security beneficiaries, but also for elderly railroad retirement annuitants. Another improvement is that the age of eligibility for the health insurance benefits would be age 65, rather than age 68. Still another improvement is that the role of the States and professional organizations has been developed and spelled out in detail, to assure that to the greatest practical extent they will be used in administering the program.

A BALANCED PROGRAM OF SERVICES

My bill provides for payment of costs of inpatient hospital services, of subsequent skilled nursing-home care, of certain home health services, and of outpatient hospital diagnostic services. This group of services represents a balanced program for meeting basic health needs—a program that would promote the best interests of the beneficiary and of his community. The services provided would make possible a step-by-step progression of care as the patient's condition changes. A person who requires expensive diagnostic services that can be provided for him on an outpatient basis would not need to become a bed patient in a hospital, in order to have his expenses paid through the plan. On the other hand, an acutely ill person who needs intensive care could have much of his inpatient hospital care paid for; and when his condition is no longer so acute as to require general hospital care, if his physician finds that he still needs substantially full-time skilled nursing care, the program would help to pay the cost of the required care in a skilled nursing facility. Similarly, since home health services provided for in the bill consist of visiting nurse and similar care, a beneficiary who needs only part-time skilled nursing service at home would have protection against the costs of such medically necessary services.

Thus, unlike health-insurance policies covering only hospital care, the proposed program would not discourage the use of medical institutions other than hospitals, or of home health facilities, where medically indicated. By placing proper emphasis on early diagnosis and on care outside the hospital, my bill would release hospital beds for the care of the acutely ill who need the intensive care that only a hospital can furnish.

The availability of protection against the costs of outpatient hospital diagnostic services would tend to prevent the abuses that have occurred under some hospital insurance plans that pay for hospital services only if given on an inpatient basis. The availability of this protection would be a distinct advantage to the beneficiary, too. At present, fear of the high cost of diagnostic services is in many instances a barrier to the detection and early treatment of maladies

that grow worse when treatment is delayed. As a result of earlier diagnosis and treatment and avoidance of unnecessary hospital admissions, payment of the cost of outpatient services would result in medical care that is not only effective but economical.

A SOUND AND CONSERVATIVE PROGRAM

In order to keep the program on a sound and conservative basis, the bill places certain limitations on the services provided. With respect to inpatient hospital services, only the costs of semi-private accommodations would be paid, except for cases in which private accommodations are medically necessary. Private duty nursing services would not be covered; but all nursing services customarily provided by the hospital, including as intensive nursing care as might be necessary, would be paid for.

In order to assure a conservative program, first-dollar coverage would not be provided. There would be a deductible amount—to be paid by the patient—of \$10 for each of the first 9 days of inpatient hospital care during a period of hospital illness, with a minimum deductible amount of \$20. A deductible amount of \$20 is provided for each diagnostic study that a beneficiary has as a hospital outpatient.

The desire for a prudent approach in a new area is the reason for the limitations on the number of days of hospital and skilled nursing-home care for which insurance benefits may be paid during an illness. These limitations are much less severe than those in the great majority of health plans available to the aged, and they would not prevent the plan from affording very substantial help to those who face the heavy costs of catastrophic illnesses.

For each illness, payment could be made for a combination of services, including up to 90 days of inpatient hospital care or 180 days of skilled nursing-home care. The total number of days for which payment could be made during a period of illness is 150 units; a unit equals 1 day of hospital inpatient care or 2 days of skilled nursing-home care. Under this provision, even if a person with a severe heart condition remained in a hospital for 90 days or more, he would be eligible for payment for 120 days of skilled nursing-home care after his hospitalization. If his condition permitted him to go to a nursing home after 60 or fewer days of hospitalization, he could have 180 days of nursing-home care paid for. Thus, there would be an incentive to use, where appropriate, nursing-home services, rather than hospital services. No more than 240 home health-care visits could be paid for in a calendar year.

Under my bill, providers of service who wish to participate in the plan would enter into agreements under which they would be paid for the reasonable cost of the services they furnish under the plan. The program would follow practices already well established and accepted by the hospitals in their relationships with Blue Cross, with States, and with other Federal programs. Thus, the program would tie in with the customary practices of hospitals. If a hospital custom-

arily provided a given service for its patients, that service would be paid for under the plan.

PARTICIPATION OF HEALTH CARE AGENCIES

General conditions for the participation of hospitals, skilled nursing homes, and agencies providing organized home health services are spelled out in the bill. In addition, in the interest of keeping the program in a close relationship with developments in the professions, the bill directs the Secretary of Health, Education, and Welfare to establish a Health Insurance Benefits Advisory Council. The Council would assist the Secretary in formulating general policy and in developing, for the health and safety of beneficiaries, conditions for participation by providers of services. The States would also play an important role; the Secretary would use appropriate State agencies in determining which providers of health services satisfy the conditions for participation. The State agencies would also have the authority to make recommendations for supplementing the conditions for participation in their respective States, where this is appropriate. Thus, the States would be encouraged in their efforts to improve the quality of care provided to their citizens.

FINANCING THE PLAN

The health insurance program provided for in my bill would be financed by adding one-fourth of 1 percent, each, to the employers' and the employees' social security tax rates, and by adding three-eighths of 1 percent to the tax rate for self-employed persons, effective in 1963. Also, the maximum on yearly taxable earnings would be increased from \$4,800 to \$5,000, beginning with 1962. Raising this base would improve the benefit structure of the social security program generally, and would also provide additional income, which, together with the income from the contribution rate increase, would fully meet all of the cost—six-tenths of 1 percent of covered payroll on a long-range basis—of the health insurance program.

UNFOUNDED OBJECTIONS TO THE PLAN

Last August, when the proposal for health insurance benefits for the aged under the social security system was debated here, one objection to it that evidently was taken very seriously was that the plan left out too many aged persons. It was said that if health insurance benefits were provided for people age 65 and over, through the social security system, 4 million of our senior citizens would be left without protection.

Mr. President, this is just not so. Actually, when the plan proposed in S. 909 goes into effect, all but half a million—not 4 million, but a half million—of our aged citizens will have health protection available to them under a public program. Less than 4 percent of the people aged 65 or over will lack such protection; and if they are medically indigent, this last half-million might be cared for under the Kerr-Mills bill passed by the last Congress. I ask unanimous consent to have printed at this point in the RECORD a table giving projections of coverage for people 65 and over.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Population age 65 and over: Estimates of eligibility for health protection under public programs¹ as of January 1963

<i>Age 65 and over, number (in millions)</i>	
Total aged persons.....	16¾
Entitled to benefits under OASI.....	13¾
Railroad retirement annuitants.....	½
Annuity under Federal staff retirement systems.....	¼
Recipients under other Government systems:	
Veterans' programs.....	½
Old-age assistance ²	1¼
Not under any Government program.....	½

¹ In this table persons eligible under old-age and survivors insurance or the railroad retirement system and also under some other public programs are shown only under OASI and railroad retirement.

² In some States the provisions for medical assistance under the old-age assistance program are quite limited; these limitations, generally speaking, do not result from any lack of provision in the Federal law but rather the fact that the State programs in question have not developed to the point where they utilize all the available Federal grants.

Mr. ANDERSON. Mr. President, at the time when the health insurance provisions of my bill become effective, there will be about 16¾ million people age 65 and over in this country. Of these 16¾ million people, 14¾ million—all but 2½ million of the total—will be protected by the program because they are entitled to social security benefits or railroad retirement annuities.

Now let us take a look at these 2½ million people. About one-fourth million of them will be getting benefits under staff retirement programs of the Federal Government. Legislation enacted last year established a comprehensive health insurance benefit program for already retired Federal employees, effective on July 1 of this year. Under the Government employees' health insurance program now in effect for active employees, Federal employees not already retired can carry their health insurance protection over into retirement—with the Federal Government, as their former employer, helping to pay the cost of the protection.

Among the remaining aged persons who would not be eligible under social security or railroad retirement, there will be about half a million getting veterans' compensation or veterans' pension. In addition to the cash benefits that they receive, these persons generally can obtain comprehensive health care under the veterans' program.

Over 1¼ million of the remaining aged elderly people who would not be covered under S. 909 will be on the old-age assistance rolls when the new program goes into effect. Having already met a test of need under the assistance programs, these people will be eligible, without undergoing a further test of need, for whatever medical assistance is provided by the States in which they live.

There remain, then, about half a million aged persons—not 4 million, but half a million—who may need help in

order to meet their medical-care costs, and to whom such help would not be available under social security or some other public program. These people, as I have said, constitute less than 4 percent of the total number of aged persons. The group includes some who are institutionalized and who are receiving complete care at public expense.

Some others in the group will be able to qualify under the program of medical assistance to the aged enacted last year. No one can reasonably argue that we must deny the overwhelming majority of the aged the great advantages of health insurance protection under the social security program because there would still be a few people who are not eligible for health benefits under this or one of the other public programs.

Let me emphasize that the figures I have presented deal with the situation as it would be at the time when the new plan would go into effect. As time goes on, the percentage of people who reach retirement age without having protection under social insurance grows smaller. Within a comparatively short time, practically all of the aged will have social insurance protection. To suggest that more than 14¼ million of our senior citizens should be denied the advantage of health insurance benefits under the social insurance system because in the beginning there would be about one-half million of the aged who neither are under social security nor are assured of continuing protection against the cost of illness under some other public program—thus having to rely on the medical assistance program if the need arises—is to take a very short view, indeed.

In fact, the provision of health insurance benefits under social security and railroad retirement would greatly reduce the amount of State and local funds that will have to be raised if the State medical assistance programs, set up under the terms of the Kerr-Mills bill enacted last year, are to be effective. I favored the Kerr-Mills bill, and I recognize the necessity for the medical assistance program which it established. But I recognize, too, that in the health insurance area, just as in the area of income maintenance for the aged and for the disabled, the State assistance programs will be able to do a better job if basic needs are met through social insurance and if the States do not have to carry the burden of meeting these needs. When the old-age and survivors insurance program was expanded and liberalized in the early 1950's, the public assistance programs were enabled to do a better job in supplementing the basic social insurance program. The same kind of thing happened after the old-age and survivors insurance program was extended to provide disability benefits.

Here, again, in the field of benefits covering health costs, following the enactment of a program under social insurance the States would be able to liberalize their income tests and otherwise move in the direction of a meaningful and effective health care program for the few aged persons who still would need help in meeting their health-care

costs. As former Secretary of Health, Education, and Welfare Marion Folsom said recently, "A nationwide system of social insurance against health costs of the aged is logical for the same reasons that the old-age retirement annuity system had to be financed on a nationwide, rather than a State, basis."

We are being urged, before proceeding with a health insurance plan under social security, to wait to see to what extent the States implement the 1960 legislation for the medically indigent. But the latter program is not a substitute for a social insurance program. The purpose of the assistance program is to help people after dependency has occurred. The purpose of social insurance is to enable people to remain independent.

Another thing that I want to make clear is that my bill is not a replacement for private insurance or employer plans for protection against health costs. My bill, by relieving employer plans and Blue Cross and other community health plans of the problem of providing for the aged who cannot pay their own way in health insurance today, would strengthen these plans, lowering their costs and permitting their expansion. Furthermore, my bill would provide basic protection, on which the aged would build insurance against physicians' and dentists' bills and drug costs. My bill is not a replacement for State programs or private insurance; there is, and will continue to be, a place for all of these.

TIME FOR ACTION NOW

Mr. President, I think that each of us here is aware of the gravity of the problem confronting our elderly people. We have seen the statistics showing the rapidly increasing costs of medical care. We have been told, and we know it is true, that older people do not have the resources with which to pay expensive medical bills, and that they cannot afford to pay for private insurance that would give them adequate protection against high medical-care costs. The need for action is clear.

The long-established and highly successful social security system is made to order as a method of financing medical care for our older people. And the same is true of our railroad retirement system. During the past quarter of a century we have seen demonstrated the soundness of the social insurance approach. Under our social insurance system, workers, employers, and the self-employed contribute during their working years to provide protection against the risk of loss of income due to old age, disability, or death. Workers and their families can now face the future with the knowledge that they will have income in the form of benefits earned through work and paid for out of earnings. Millions of our people are making plans for building a good life in retirement, by adding, through their savings, to what they can expect from the basic social insurance program. But their hopes for a secure life in retirement are dimmed by the realization that one expensive illness can wipe out the savings of a lifetime. Use of the contributory social insurance approach

for financing medical care for the aged would provide assurance not only to the aged, but also to people who are currently working and to generations yet to come, that their medical needs in old age will be met without their facing the humiliation of having to prove that they cannot pay their own way.

We are a Nation on the move in a fast-moving world. No people can maintain its vigor, its spirit, and its ability to compete and win, if its vision of tomorrow is shadowed by the fear of insecurity caused by ill health. No people can maintain its unity, or indeed its self-respect, by turning away from those whose vigor is spent. No people can look to the future with confidence if the not-so-old foresee themselves in the predicament that those who were not-so-old yesterday are in. We must take steps to make sure that those who are old today, and those who will follow tomorrow, have health insurance protection in their later years, on a financially sound basis. The great need is clear. The right and well tested way is clear. The time for action is now.

Mr. President, I ask unanimous consent to have printed at this point in the Record a summary explanation of the health insurance proposal.

There being no objection, the statement was ordered to be printed in the Record, as follows:

HEALTH INSURANCE PROPOSAL

PERSONS ENTITLED

Protection against the cost of inpatient hospital, outpatient hospital diagnostic, skilled nursing home, and home health services would be provided for persons who have reached age 65 and are entitled to monthly benefits under the old-age and survivors insurance program or under the railroad retirement system.

SCOPE AND DURATION OF BENEFITS PROVIDED

The services for which payment would be made under the proposal would be:

1. Inpatient hospital services for up to 90 days. Hospital services would include all those customarily furnished by a hospital for its patients, and would be subject to a deductible amount (paid by the patient) of \$10 a day for up to 9 days, with a minimum of \$20;
2. skilled nursing home services, after the patient is transferred from a hospital, for up to 180 days;
3. outpatient hospital diagnostic services, as required, subject to a \$20 deductible amount for each diagnostic study;
4. home health services for up to 240 visits during a calendar year. These services would include intermittent nursing care, therapy, and part-time homemaker services.

An individual could be eligible for up to 90 days of hospital services and 180 days of skilled nursing home services in each period of illness, but subject to a maximum of 150 units of service. A unit of service would be equal to: 1 day of inpatient hospital services or 2 days of skilled nursing home services. Thus, if during a period of illness a beneficiary transferred from a hospital to a skilled nursing home after 60 days, payment could be made for the 60 days of hospital care and for up to 180 days of his skilled nursing home care. If the beneficiary transferred after 95 days in the hospital, payment could be made for 90 days of hospital care and up to 120 days of his skilled nursing home care. A new period of illness would not begin until 90 days had elapsed in which the patient was neither in a hospital or a skilled nursing home.

BASIS OF REIMBURSEMENT

Payments to the providers of service would be made on the basis of the reasonable cost incurred in providing care for beneficiaries. The amount paid under the program would be payment in full for covered services, except, of course, that the provider could charge the patient the amounts of the deductibles and extra charges for a private room or private duty nursing.

ADMINISTRATIVE ASPECTS

Responsibility for administration of the program for social security beneficiaries would rest with the Secretary of Health, Education, and Welfare. Considerable reliance would be placed upon the States to assure that local conditions would be taken into account. The Secretary would consult with appropriate State agencies and recognized national accrediting bodies in formulating the conditions of participation for providers of service. In addition, the Secretary would have the authority to utilize State agencies to perform the administrative functions of determining whether a provider meets the conditions for participation and to provide consultative services to providers. Provision would be made for the establishment of an advisory council which would advise the Secretary on policy matters in connection with administration.

In order to be eligible to participate in the program, providers of service would have to meet specified conditions to assure the health and safety of the beneficiaries. If it desired, a State could recommend that more strict conditions be applied with respect to providers of service within that State.

FINANCING

The program would cost 0.6 percent of covered payroll. In the early years of the program, benefit payments would amount to slightly more than \$1 billion a year. The social security contribution rates would be increased one-fourth of 1 percent on employers and one-fourth of 1 percent on employees and three-eighths of 1 percent for the self-employed, effective in 1963. The taxable earnings base would be increased from \$4,800 to \$5,000 a year, beginning with 1962. Raising the earnings base would improve the benefit structure of the system generally and would also provide additional income which together with the income from the contribution rate increase would fully meet all health insurance costs.

EFFECTIVE DATES

Payments would be made with respect to inpatient hospital, outpatient hospital diagnostic, and home health services provided on or after October 1, 1962, and for skilled nursing home services furnished on or after July 1, 1963.

Mr. ANDERSON. Mr. President, at this point I wish to refer to an article by Howard A. Rusk, a physician who writes a column in the New York Times. Dr. Rusk wrote yesterday:

The primary difference between President Kennedy's proposals and those advocated by others, particularly the American Medical Association, centers on the factor of compulsory participation versus voluntary participation.

Although Mr. Kennedy does not bring out the following point specifically, it is the crux of the question: The very groups of individuals who are economically most likely to need health insurance benefits in their old age are the least likely to take out voluntary health insurance during their working years.

As a result, they must depend upon public assistance provided by tax funds for medical care in their later years.

Consequently, the more prudent people who elect to take out health insurance un-

der a voluntary system end up not only paying for their own health insurance, but paying through taxes for the medical care of the less prudent who did not take out insurance.

For a variety of reasons, many groups and individuals will strongly oppose President Kennedy's proposals on health insurance for the aged. After a careful analysis of the proposed plan, this writer believes it to be the most logical and efficient approach to this critical problem.

I ask unanimous consent that the complete article be printed at this point in the RECORD, in connection with my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Feb. 12, 1961]
ISSUES ON HEALTH—I: MEDICAL CARE PLAN FOR THE AGED STIRS DISAGREEMENT ON WAY TO FINANCE IT

(By Howard A. Rusk, M.D.)

In his special message to Congress on Thursday on health and hospital care, President Kennedy summarized in the first sentence his philosophy on the Government's role in health.

He said, "The health of our Nation is a key to its future—to its economic vitality, to the morale and efficiency of its citizens, to our success in achieving our own goals, and demonstrating to others the benefits of a free society."

Under six major headings, the President made a series of specific recommendations, all of which would carry out pledges he made directly or indirectly during his campaign.

The headings were: health insurance for the aged, community health services and facilities, increasing health personnel, improving the health of children and youth, vocational rehabilitation and medical research.

DISPUTE ON METHODOLOGY

Although the President made specific recommendations for more Federal responsibility in all six of these fields, in two of the areas there has been sharp disagreement on methodology. These are health insurance for the aged and increasing health personnel.

Except for the recommendation for a new National Institute of Child Health and Human Development within the National Institutes of Health, recommendations under the four other headings were primarily to increase the size, scope, and effectiveness of existing programs.

The disagreements on health insurance for the aged and on increasing health personnel are not over the need for such programs. Everyone agrees that the ever-increasing numbers of older persons need health insurance protection. Similarly, with few exceptions, everyone recognizes the Nation's need for more physicians, dentists, public health specialists, nurses, and other medical personnel.

The issue is how to meet and finance these needs.

President Kennedy, as expected, proposed health insurance for the aged through the social security system. His plan would provide these things:

Inpatient hospital services up to 90 days for one illness, for all costs in excess of \$10 a day for the first 9 days and full costs for the remaining 81 days.

Nursing home services up to 180 days immediately following discharge from a hospital.

Hospital outpatient clinic diagnostic services for all costs in excess of \$20.

Community visiting nurse services and related home health services for a limited time.

The President proposes that these insurance benefits be available to all persons aged 65 and over who are eligible for social security or railroad retirement benefits.

The program would be financed by an increase in social security contributions of one-quarter of 1 percent each for employers and employees and by increasing from \$4,800 to \$5,000 a year the maximum base on which payments are made.

The President's arguments are convincing in favor of his proposal over the legislation enacted last year. The latter program provides Federal funds to assist the needy aged who are receiving welfare assistance to meet their medical bills. It is primarily a plan for Federal grants to the States, who must administer the program and help finance it; it is extremely cumbersome administratively.

DIGNITY OF INDIVIDUAL

Mr. Kennedy argues that his plan provides coverage for the great majority of older persons who do not seek medical care at the taxpayers' expense through welfare, but who lack the funds to pay for the care they need. He terms his proposals "consistent with the dignity of the individual."

He points out also that the self-supporting insurance method of financing the cost of such services should eventually reduce the number of persons requiring care under public assistance, and would thus leave State and local funds to provide services not included under his proposal and not covered by social security.

The plan, he stresses, is a modest proposal designed to meet absolutely essential needs and has sufficient deductible requirements to discourage abuses.

Mr. Kennedy also nailed down the oft-raised cry of socialized medicine. He pointed out there is absolute free choice of physician and hospital, and that no physicians' fees are involved, covered, or affected in any manner by the plan.

The primary difference between President Kennedy's proposals and those advocated by others, particularly the American Medical Association, centers on the factor of compulsory participation versus voluntary participation.

CRUX OF THE QUESTION

Although Mr. Kennedy does not bring out the following point specifically, it is the crux of the question: The very groups of individuals who are economically most likely to need health insurance benefits in their old age are the least likely to take out voluntary health insurance during their working years.

As a result, they must depend upon public assistance provided by tax funds for medical care in their later years.

Consequently, the more prudent people who elect to take out health insurance under a voluntary system end up not only paying for their own health insurance, but paying through taxes for the medical care of the less prudent who did not take out insurance.

For a variety of reasons, many groups and individuals will strongly oppose President Kennedy's proposals on health insurance for the aged. After a careful analysis of the proposed plan, this writer believes it to be the most logical and efficient approach to this critical problem.

Mr. ANDERSON. Mr. President, a New York Times editorial on February 10, 1961, made this comment on the President's proposal:

Such a program could be put into effect nationally at one and the same time and by an organization already trained and fitted for the task. It would put all States and beneficiaries on an equal basis. It would avoid any further use of the hated means test. And none of it would be financed from general tax revenue. Much of its cost would, in fact, be covered by those who would stand to benefit directly from it.

Another great advantage of this setup would be its avoidance of anything that could honestly be called socialized medicine. Every beneficiary would be free to choose his own doctor and hospital. And there would be no Government supervision or control of the practice of medicine or of the services of any hospital.

I ask that the complete editorial be included at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times, Feb. 10, 1969]

HEALTH GOALS FOR THE NATION

President Kennedy yesterday presented in his message to Congress a masterly overall view of the Nation's health problems and a challenging, if somewhat staggering, bill of particulars as to how he thinks the Federal Government ought to deal with them.

He laid special emphasis, as he should, on the health of both the oldest and the youngest of Americans. Their needs are the greatest, both in terms of their proportion of the total population and of the exceptional degree of protection they ought to have. All the proposals he has made, however, are designed to serve the welfare of the entire Nation—through more medical research, more and better trained personnel and hospital expansion and development.

But the President's bill of particulars for action carries no price tags—either in total or as to its various items. This is a baffling omission. The figures will have to come later—but the sooner the better. Meanwhile, it is well to remember that, as the President has said, "the health of our Nation is a key to its future * * * to our success in achieving our own goals and demonstrating to others the benefits of a free society." What is necessary to protect the Nation's health must be done—and paid for.

In the case of the elderly, the President has wisely proposed a health insurance program administered by the social security system and financed by an increase of one-quarter of 1 percent each in the contributions of employers and employees. It would provide hospital care up to 3 months (free of any charge after the first 9 days and of expenses over \$10 a day before that), outpatient diagnostic services (free after \$20 is paid), and nursing home care and visiting nurse services for a limited period.

Such a program could be put into effect nationally at one and the same time and by an organization already trained and fitted for the task. It would put all States and beneficiaries on an equal basis. It would avoid any further use of the hated means test. And none of it would be financed from general tax revenue. Much of its cost would, in fact, be covered by those who would stand to benefit directly from it.

Another great advantage of this setup would be its avoidance of anything that could honestly be called socialized medicine. Every beneficiary would be free to choose his own doctor and hospital. And there would be no Government supervision or control of the practice of medicine or of the services of any hospital.

Especially timely, and urgent also, is the President's plea for better community health services and facilities, especially through more and expanding nursing homes—which would take some of the patient load off hospitals—and through the improvement of their services. Even more urgent is the need—tragically shown right here in New York—for more well-trained doctors to be met through the expansion of existing medical and dental schools as well as new ones. And, in the case of new facilities, careful planning for them, which Mr. Kennedy has stressed, is an absolute essential.

More adequate Federal assistance in all these directions—within reasonable budgetary limits—is “unfinished business which affects every person and home and community in this land,” as the President has said.

Mr. ANDERSON. Mr. President, today's Washington Post carried an editorial which seeks to wipe away some of the confusion in this country about the British national health service plan. I should like to read the last paragraph of that editorial:

The British and Canadian experiences may or may not appeal to Americans; the United States is in nowise bound to follow or copy them. All that is under discussion in this country is a limited plan of medical care for the aged to be financed through social security contributions and carried out by private doctors. The question, really, is what all the shouting is about.

I ask that the full editorial be included with my remarks at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 13, 1961]

NATIONAL HEALTH SERVICE

In England's Parliament as well as in the Congress of the United States there is controversy over Government-sponsored medical care. The differences are instructive as well as interesting.

Here the argument is carried on to a large extent through the use of epithets such as “socialistic”; and governmental concern for the health, even of the aged, is denounced by spokesmen for the organized medical profession as somehow immoral. But in England the argument is entirely over the size of certain fees to be exacted for health services; the Labor opposition says that the Conservative government proposes to set these too high. Neither Conservatives nor Laborites appear to have the slightest inclination to do away with the program; instead, they vie with one another and with the Liberals in supporting it.

There has been so much misinformation in this country and there have been so many misleading charges about the British National Health Service that it is helpful to have some facts on the subject made available by the British Information Service. Far from being, as some American Medical Association rhetoricians assert, a Socialist scheme or a Communist coup, the health program was recommended by Lord Beveridge, an eminently respectable Liberal, and was accepted in principle in 1944 by the National Government under Sir Winston Churchill.

Participation in the program is wholly voluntary on the part of doctors and patients alike. Anyone is free to use the service or not as he prefers, to use it in part if he wishes to consult a private physician while availing himself at the same time of a service doctor, to go as he thinks best to a public or a private hospital. Doctors may participate or not as they desire; and they may, if they wish, keep a private practice alongside their service practice.

Moreover, a patient is free to choose any doctor and to change doctors when he desires to do so. There appears to be no foundation whatever for the charge that the quality of British medicine has suffered from the scheme and even less substance to the charge that it is widely disliked in Britain. The fact is that 97 percent of the people in England and Wales have chosen a doctor within the service, that nearly all doctors, dentists, opticians, etc., have joined in, and, finally, that the general health of the British people seems very high.

One other foreign example should, perhaps, be put before the leaders of the AMA. The Canadian Medical Association has announced that 93 percent of its members are in favor of negotiating an acceptable plan for a national health service in Canada; 83 percent of the Canadian doctors said that they consider a tax-supported medical plan either probable, inevitable or imminent.

The British and Canadian experiences may or may not appeal to Americans; the United States is in nowise bound to follow or copy them. All that is under discussion in this country is a limited plan of medical care for the aged to be financed through social security contributions and carried out by private doctors. The question, really, is what all the shouting is about.

Mr. ANDERSON. Mr. President, finally, I also ask that the editorial which appeared in the Washington Post on February 10, 1961, be included at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Feb. 10, 1961]

KEY TO THE FUTURE

President Kennedy's special message to the Congress on health and hospital care is, as he termed it, “a very modest proposal cut to meet absolutely essential needs.” Its very moderation, although it may prove disappointing to some, should make it persuasive to the Congress. The clarity with which the President presents and documents the problem and its patent relation to the national welfare ought to move the Congress to speedy action.

The principal focus of the message is on health insurance for the aged. Without disparaging the measure adopted by the Congress last year to help meet the medical costs of the indigent aged, Mr. Kennedy argues that “now we must meet the needs of those millions who have no wish to receive care at the taxpayers' expense, but who are nevertheless staggered by the drain on their savings—or those of their children—caused by an extended hospital stay.” The American Medical Association may be eager and willing, as its spokesmen so often assert, to furnish such care philanthropically. But it is not philanthropy that the aged seek.

The sensible and characteristically American way to provide for the contingencies of retirement years is to enable workers to pay for them while they are employed, through the mechanism of the social security system. American workers insure themselves through social security against the loss of income caused by retirement, death, unemployment, or disability. The President proposes simply that they insure themselves in the same way against the high cost of ill health in old age.

Two aspects of the President's recommendation, designed to reduce the program's cost, deserve careful scrutiny and reflection. The coverage, as he outlines it, would extend only to those eligible for social security; this means that a goodly number of the 16 million Americans over 65 would be unprotected. Second, the program would require elderly patients to pay the first \$20 of the cost of hospital outpatient clinic diagnostic services. This might well discourage diagnosis when it is most needed and most likely to be effective—and most likely, also, to cut the cost of subsequent hospital care.

As the President says bluntly and simply, “This program is not a program of socialized medicine. It is a program of prepayment of health costs with absolute freedom of choice guaranteed. Every person will choose his own doctor and hospital.” Let's hope that ir-

relevant nightmare visions of socialism can be kept out of the discussion.

The President's message presents, in addition, some admirable proposals for the enlargement of community health services, the expansion of health personnel and medical research and the improvement of health care for children and youth. “The health of our Nation,” Mr. Kennedy says, “is a key to its future.” A nation which does not take care of its aged will have no more than a sorry future; and a nation which does not take care of its youth is likely to have no future at all.

Mr. ANDERSON. Mr. President, I ask unanimous consent that the bill be allowed to lie on the desk for 1 week to allow other Senators who may wish to cosponsor it to do so.

The PRESIDING OFFICER. Without objection, the bill will lie on the desk as requested.

HEALTH INSURANCE FOR THE AGED

Mr. JAVITS. Mr. President, I wish to speak on the same subject to which the junior Senator from New Mexico has just addressed himself, with the kind cooperation of the majority leader, who agrees that I be recognized.

The PRESIDING OFFICER (Mr. BURDICK in the chair). Without objection, the Senator from New York is recognized.

Mr. JAVITS. Mr. President, on behalf of myself and Senators COOPER, of Kentucky, SCOTT, of Pennsylvania, AIKEN, of Vermont, FONG, of Hawaii, COTTON, of New Hampshire, KEATING, of New York, PROUTY, of Vermont, and SALTONSTALL, of Massachusetts, I introduce, for appropriate reference, a bill to provide for a program of Federal matching grants to the States to enable the States to provide health insurance for individuals aged 65 or over at subscription charges such individuals can pay.

The PRESIDING OFFICER. Without objection, the bill will be received and appropriately referred.

The bill (S. 937) to provide for a program of Federal matching grants to the States to enable the States to provide health insurance for individuals aged 65 or over at subscription charges such individuals can pay, introduced by Mr. JAVITS (for himself and other Senators), was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

Mr. JAVITS. Mr. President, I should like to make a brief statement with respect to the bill. It is a statement made by the nine Senators who have introduced this bill.

We are a group of Republicans who believe that there must be a Federal program for medical care for the aged, and in all our action when the matter was under consideration in 1960 we acted accordingly. We still feel that way. We have been waiting for the President's proposal to see if it met certain very serious objections to the plan for medical care for the aged, even if it took the social security tax method of financing, objections which the proposal

by the then Senator Kennedy, presented in August 1960, failed to meet.

An adequate program to meet the needs of our senior citizens should give top priority to preventive medical care, rather than hospitalization. Medical experts agree that adequate preventive medical care would result in a sharp reduction in the occurrence of chronic illness and long stays in the hospital. This can best be done by a first cost program, making physicians care readily available at home or in the office.

Our health proposal would thus provide a preventive care program to include physicians visits, diagnostic laboratory or X-ray services, and home nurse calls as prescribed. The senior citizen gets the benefit he needs at once and thus gets medical protection before chronic illness has set in.

Another criterion about which we feel strongly is that the many aging outside social security coverage must be included in any Federal health program. Provision should also be made for flexibility for States to improve on the benefit package while preserving the minimum as uniform in every State. There are substantial differences among our States, particularly with respect to medical facilities, costs, and care. Moreover there should be a voluntary cash option to enable the aging, at their option, to pay for their voluntary health plans that now cover an estimated 8 million of the 16 million citizens over 65 if they give at least the minimum care standard set under the Federal plan.

We feel, therefore, that no adequate accommodation has yet been made to important objections to the Kennedy-Anderson plan.

We are determined that there should be a Federal program for health care for the aged, and we will persevere in the effort to find a way in which this can be done and to develop a program that can pass and be enacted into law. Therefore, in carrying on this effort, we are introducing as a bill the plan for which we stood in August 1960. We are convinced that at this writing our plan, compared with the President's plan, is more liberal in coverage, more liberal in benefits, and more accurately reflects what needs to be done in a Federal program of medical care for the aged. We will continue to explore every avenue with reference to these elements of a medical care plan for the aging in the effort to arrive at an agreed plan.

I ask unanimous consent that a summary of the Health Insurance for the Aged Act be printed in the RECORD at this point.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF THE HEALTH INSURANCE FOR THE AGED ACT

DESCRIPTION

A voluntary, participating health benefits plan for persons 65 years old or over providing preventive, diagnostic, and short-term illness benefits, or long-term catastrophic or chronic illness benefits, or insurance benefits through contributions of State and Federal Governments.

PERSONS ELIGIBLE

All persons 65 years of age and over, who are not recipients of public assistance (and thus eligible for medical benefits under other provisions of the bill) whose income does not exceed \$3,000 for an individual or \$4,500 per couple. Eleven million persons would be eligible immediately, not including the 2.4 million receiving public assistance, taking in substantially all aged persons in need of assistance with their health care costs.

BENEFITS

The State plan must contain three options for the subscriber:

(a) Preventive, diagnostic, and short-term illness benefits with specified minimum services which may be increased to a maximum cost of \$128 per year;

(b) Long-term illness benefits with specified minimum services which may be increased to a maximum cost of \$128 per year;

(c) Private insurance benefits, under which 50 percent of the cost of a private insurance plan, up to a maximum of \$60 per year, is paid for.

Minimum benefits specified per year under the preventive and short-term care plan must include: (a) 21 days of hospital care, or nursing home care at a ratio of 3 nursing home days per hospital day; (b) physicians services for 12 home or office visits; (c) first \$100 of costs for ambulatory diagnostic laboratory and X-ray services; and (d) 24 days of visiting nurse or other home health care services.

Typical maximum benefits under the preventive care plan could include: (a) 45 days of hospital care or equivalent nursing home care; (b) physicians services for 12 home or office visits; (c) total costs for ambulatory diagnostic laboratory and X-ray services; and (d) 135 days of home health care services. It could also include any other type of medical services provided for by the State plan.

Minimum benefits specified per year under the long-term catastrophic or chronic illness plan must include 80 percent of the following costs, after payment of the first \$250 of medical expenses: (a) 120 days of hospital care; (b) surgical service provided in a hospital; (c) full nursing home service; (d) full visiting nurse or other home health care services.

An individual State's typical maximum benefits under the long-term illness plan could include 80 percent of the following, after payment of the deductible amount: (a) 180 days of hospital care; (b) full nursing home care; (c) full home health care services; (d) surgical services anywhere; (e) first \$200 laboratory and X-ray services; (f) first \$350 of prescribed drugs; and (g) other physicians, major dental, and private duty nurse services. Benefits could also be improved by reducing the deductible amount.

ENROLLMENT FEE

To be determined by the State subject to the approval of the Secretary of Health, Education, and Welfare, with a minimum of 10 percent of per capita costs—generally \$9 to \$12.80 per year.

FINANCING

Cost above the amount realized from enrollment fees is shared between the State and Federal Governments. The maximum benefit package eligible for such sharing is \$128 per capita per year. Federal participation is between 66½ and 33½ percent depending upon State per capita income, averaging nationally to 50 percent. The median cost to the Federal Government of the plan is estimated at about \$450 million a year.

OTHER PROVISIONS

1. Grants to States for assistance in establishing these programs;

2. Establishment of an Advisory Council on Health Insurance;

3. Permission for enrollment fees to be paid by employers or pension funds, thus permitting collective bargaining or other arrangements during the working life for their payment;

4. Periodic opportunities to change between the different plans;

5. Hearings before a State agency on claims which have been denied.

Mr. JAVITS. Mr. President, I should like to add, for myself, that the Senator from New Mexico [Mr. ANDERSON] and I stood on this floor in August 1960, and, as Senators, stated that we would seek every means open to us to ultimately bring a measure to the Senate which a great majority could agree upon as the right plan for the aged.

I should like to say to my colleague that I have not, and will not, deviate one iota from that intention, and that I very deeply feel the proposal of the nine Senators—and the Senator from New Mexico and every other Senator knows it is not easy to get a group of Senators together and with one mind—will really represent a constructive step toward our objective.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. ANDERSON. First, in reply to my colleague from New York, I appreciate very much his statement that they are going to continue to explore every means to bring about the desired objective. As I said when we were on this floor at the close of the session in 1960, he has been a valiant fighter for many years. I hope to see him very actively continue in this challenge. I hope the coming months will bring us close together, at least close enough so we will look forward to the passage of a good bill.

DISTRIBUTION OF COPIES OF CONGRESSIONAL RECORD

Mr. CANNON. Mr. President, I move that the Senate proceed to the consideration of Senate bill 451, Calendar No. 39.

The PRESIDING OFFICER. The bill will be stated by title.

The LEGISLATIVE CLERK. A bill (S. 451) to authorize the distribution of copies of the CONGRESSIONAL RECORD to former Members of Congress requesting such copies.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to; and the Senate proceeded to consider the bill.

Mr. CANNON. Mr. President, under the present law, the Public Printer is authorized to furnish gratuitous copies of the daily CONGRESSIONAL RECORD to various specified officials and agencies of the Government and also to each ex-President and ex-Vice President of the United States. Senate bill 451 would additionally authorize the distribution of such daily copies to those former Members of Congress, including Delegates from a territory and Commissioners from Puerto Rico, who so request.

The Senate has passed such a bill previously, and this is merely a reaffirmation of that desire, or a re-presentation of the bill.

The PRESIDING OFFICER. The bill is open to amendment.

If there be no amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 451) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 73 of the Printing Act, approved January 12, 1895, as amended (44 U.S.C. 183), is amended by inserting after the paragraph relating to ex-Presidents and ex-Vice Presidents a new paragraph as follows:

"To each former Senator, Representative in Congress, Delegate from a territory, or Commissioner from Puerto Rico, upon request to the Public Printer, one copy of the daily."

EXPENDITURES BY COMMITTEE ON PUBLIC WORKS

Mr. CANNON. Mr. President, I move that the Senate proceed to the consideration of Senate Resolution 16, Calendar No. 40.

The PRESIDING OFFICER. The resolution will be stated by title.

The LEGISLATIVE CLERK. A resolution (S. Res. 16) authorizing certain expenditures by the Committee on Public Works.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to; and the Senate proceeded to consider the resolution, which had been reported from the Committee on Rules and Administration, with an amendment, on page 2, line 3, after the word "than", where it appears the first time, to strike out "\$1,200" and insert "\$1,400", so as to make the resolution read:

*Resolved, That the Committee on Public Works, or any duly authorized subcommittee thereof, is authorized under sections 134 and 136 of the Legislative Reorganization Act of 1946, as amended, and in accordance with its jurisdiction specified by rule XXV of the Standing Rules of the Senate from February 1, 1961, to January 31, 1962, inclusive, to (1) make such expenditures as it deems advisable; (2) to employ upon a temporary basis, technical, clerical, and other assistants and consultants: *Provided*, That the minority is authorized to select one person for appointment, and the person so selected shall be appointed and his compensation shall be so fixed that his gross rate shall not be less by more than \$1,400 than the highest gross rate paid to any other employee; and (3) with the prior consent of the heads of the departments or agencies concerned, and of the Committee on Rules and Administration, to utilize the reimbursable services, information, facilities, and personnel of any departments or agencies of the Government.*

SEC. 2. The expenses of the committee under this resolution, which shall not exceed \$125,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

The amendment was agreed to.

Mr. CANNON. Mr. President, this is a resolution to authorize the expenditure of not to exceed \$125,000 by the Com-

mittee on Public Works, or any duly authorized subcommittee thereof, from February 1, 1961, through January 31, 1962, to employ on a temporary basis such additional personnel as the committee deems advisable to carry out its functions during the 1st session of the 87th Congress.

In addition, the President in his budget message for fiscal year 1962 recommended certain legislation affecting the national highway program. It is necessary that there be a continuous study of the status and progress for financing and expediting completion of this huge program. These studies will require an annual review of the program and reports by the agencies, inspection of certain areas, investigation of any irregularities in prosecution of the program, conferences with highway officials and residents, study of the matter of reimbursement for cost of toll roads, study of safety problems, and consideration of any necessary amendments to the legislation in order to avoid delays in the procurement of necessary rights-of-way, equipment, material, and manpower needed for orderly prosecution of the program. During the present session of Congress, provision must be made for apportioning funds to the States for fiscal years 1963 through 1966 on the basis of the estimates of cost for completing the Interstate System, as submitted to the Congress by the Secretary of Commerce on January 11, 1961.

Legislation has been enacted authorizing the establishment of U.S. study commissions for river basins in the Southeastern States and in Texas. Bills passed the Senate during the 85th Congress authorizing similar commissions for Alaska and the Wabash River Basin.

Public Law 1018, 84th Congress, amended the Watershed Protection and Flood Prevention Act, to provide for its broader use in assisting local organizations in carrying out projects for flood control and water supply purposes. Ap-

proval of plans for certain projects under this act is the responsibility of the Committee on Public Works, and will require extensive studies and investigations. During the 86th Congress the committee approved plans for 31 projects having an estimated total cost of \$96 million.

The Water Pollution Control Act amendments of 1956 authorized Federal aid in the conduct and promotion of research, investigation, experiments, demonstrations, and study for eliminating and improving sanitary conditions of surface and underground waters of the United States. It also authorizes a 10-year program of Federal grants for construction of necessary treatment works for sewage or other wastes discharging into any stream. Constant review, study, and inspection of these matters by the committee will be necessary.

The Public Buildings Act of 1959 vests authority and responsibility in the Administrator of General Services for acquiring, constructing, altering, repairing, remodeling, improving, or extending public buildings and acquiring the necessary sites or additions to sites in connection therewith. Construction or acquisition of any building involving an expenditure in excess of \$100,000, or alteration of an existing building which costs in excess of \$200,000, must be approved by the committee. During the 86th Congress the committee approved 79 new projects with an estimated cost of \$920 million, and 37 alterations and extensions with an estimated cost of \$37 million. Close supervision of the program will be necessary.

Mr. ELLENDER. Mr. President, I ask unanimous consent to have printed in the RECORD at this point the budget submitted by the Committee on Public Works to the Committee on Rules and Administration.

There being no objection, the budget was ordered to be printed in the RECORD, as follows:

Budget

Position	Number	Base salary (per annum)	Gross salary (per annum)	Monthly salary (gross)	Total for period of budget (gross)
STAFF					
Legal and investigative: Chief Investigator.....	2	\$6,180	\$12,004.32	\$1,075.36	\$25,808.64
Editorial and research: Staff member.....	1	4,980	10,756.25	896.35	10,756.25
Administrative and clerical:					
Assistant chief clerk.....	1	5,760	12,166.19	1,013.84	12,166.19
Assistant clerk (hearing).....	1	3,720	8,239.40	686.61	8,239.40
Stenographer.....	1	3,720	8,239.40	686.61	8,239.40
Total.....	6				65,209.88
ADMINISTRATIVE					
Contribution to employees health benefit programs (Public Law 86-382, effective July 1, 1960).....					486.00
Contribution to civil service retirement fund (6 3/4 percent of total salaries paid).....					4,233.64
Contribution to employees Federal employees group life insurance (27 cents per month per \$1,000 coverage).....					134.64
Reimbursable payments to agencies.....					4,000.00
Travel (inclusive of field investigations).....					30,000.00
Hearings (inclusive of reporters' fees).....					14,000.00
Stationery, office supplies.....					2,000.00
Communications (telephone, telegraph).....					3,000.00
Newspapers, magazines, documents.....					1,935.84
Total.....					59,790.12
Grand total.....					125,000.00

The PRESIDING OFFICER. The question is on agreeing to the resolution, as amended.

The resolution (S. Res. 16), as amended, was agreed to.

NEW YORK AND EXPORT AND IMPORT TRADE

Mr. JAVITS. Mr. President, I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks, an article by Brendan M. Jones published in the New York Times of February 12, 1961, and an excellent editorial entitled "Kennedy on Protectionism." Mr. Jones points out some of the problems inherent in the increasing pressures for protection against imports which both the Members of Congress and the administration are experiencing, and which are now even reaching over into the areas of business and of labor relations through threatened boycotts against foreign goods.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New York? The Chair hears none, and it is so ordered.

(See exhibit 1.)

Mr. JAVITS. Mr. President, I should like to invite the attention of the Senate to the National Import Policy Act of 1961, S. 851, which I introduced with the Senator from New Jersey [Mr. CASE] last Thursday and which is lying on the table for additional sponsorship until the end of business today—along with the National Export Policy Act of 1961, S. 852, also cosponsored by the Senator from New Jersey [Mr. CASE]. These two bills offer a solution to the problems caused by the increase of concentrated imports competing with certain industries in the United States, while at the same time giving substance to the President's broadly outlined proposals of export expansion. The United States cannot expand its exports unless we deal with the import problem in a positive and non-restrictive manner and unless we effectively coordinate and augment the export services of the Government.

Among my constituents there are workers and businessmen producing textiles, gloves, boys' and men's clothing, women's garments, industrial chemicals fabricated metal products, cord and twine, electronic and office machine equipment, sporting goods, and specialties, such as buttons and toys, all or part of whose industries are feeling the concentrated impact of foreign competition. Yet I also have among my constituents most of the 10 million people living in the great port of New York area, one fourth of whom depend on foreign trade for their livelihood; the 1 million people living in the area of the port of Buffalo, a large number of whom also earn their living from the foreign trade passing through there; as well as workers and owners in industries in which exports often mean the difference between profit and loss, work and unemployment. Their enterprises range from automobile manufacturing to steel, and they also are found in many of the industries, such as chemicals, metal products, electronics and even textiles, parts of which are

adversely affected by concentrated imports. Furthermore, all of my constituents have a basic interest in a healthy economy and in the international position of the United States—both of which depend on an expansion of U.S. foreign trade.

It is most necessary to find a way of alleviating the serious problems of imports competition in such a way as not to seriously impede export expansion. The solution which is offered in S. 851 and S. 852 is not the result of abstract economic theory but of the practical consideration of local, statewide and national interest. I offer it for the consideration and the cosponsorship of my colleagues.

EXHIBIT 1

[From the New York Times, Feb. 12, 1961]
KENNEDY SEEKS TRADE EXPANSION AS PROTECTIONIST PRESSURES RISE

(By Brendan M. Jones)

President Kennedy made it clear last week that the international sector of his New Frontiers lies in the direction of expanded trade and economic progress by less fortunate nations. In asserting this positive approach to the problem of reversing the unfavorable balance in the United States foreign payments balance, he rejected the negative course of tariff protectionism.

Mr. Kennedy also handled his first Tariff Commission case on the liberal-trade side with a decision against increased import duties on binder twines and cordage.

The President's actions, however, are unlikely to deter the mounting pressures from various domestic industries for restriction of imports. This was demonstrated in hearings before a Senate subcommittee on textile imports opened on the same day that the President sent his message on the foreign payments problem to Congress.

TEXTILE CASE HEARD

The hearings before the Senate group, headed by Senator JOHN PASTORE, Democrat, of Rhode Island, were an updating of similar presentations before the group in 1958. Their main burden was the need for import quotas to check a flood of textile products from low-wage countries, chiefly in Asia.

As in the previous hearings, many of the complaints were directed against Japan, although India, Pakistan, and Hong Kong also were criticized for increasing competitive exports to this country.

The textile and other domestic industries are unquestionably entitled to present their views on import competition. The tariff issue, however, is one that inevitably becomes more emotional as the issue is aired, particularly in a period of serious recession and increased unemployment.

Over the last 10 years or so the tariff question, as presented almost yearly in congressional hearings, has tended to build up a picture of great menace from imports. Of late, emphasis has been put on low hourly wage rates abroad, which can be made to look quite unfavorable in comparison with American wages when converted at official exchange rates.

Japan recently has been made the main target by many domestic groups, although Hong Kong and other Asian countries such as India and Pakistan and all the West European countries are cited as low-wage competitors. Japan, however, is by far the favorite target, since the mere mention of this country seems to be considered enough to make out a case for import restriction.

At the moment, two labor unions, the Amalgamated Clothing Workers and a Chicago local of the International Brotherhood of Electrical Workers are threatening boycotts of Japanese goods. Both have set May

1 as the date on which members will refuse to work on either fabrics or electronic parts from Japan and other low-wage countries.

LEGITIMATE TACTICS

Complaints to Congress or the Tariff Commission about imports are part of legitimate democratic procedures, although the repetition of some over a period of years seems to belie imminent ruin from foreign competition. The legitimacy of the union actions, however, has been seriously questioned in the affected trades, as has also the likelihood that they will be taken.

The heat and constancy of the tariff issue at its present juncture could well stand some cooling off by a few basic facts. Considering the difficulties of obtaining objectivity in such a controversy, these are not like to change views already fixed but for what they are worth in other respects they are cited here.

Comparison of total U.S. imports with this country's gross national product, which is the sum of all goods and services produced in a year, shows them to be quite a small part of the overall economy. In 1960 and in 1959 imports reached a high level of about \$15 billion a year after being considerably less over a long period.

SMALL PERCENTAGE

About half of this \$15 billion has consisted of raw or semiprocessed materials which this country does not produce or in which it is deficient. Almost all of these enter free of duty, or at low rates. The remaining dutiable imports, including some that are relatively uncompetitive, may be considered to be about \$7,500 million, for the sake of illustration.

This part of the imports amounts to about 1½ percent of the U.S. gross national product of some \$500 billion in 1960.

Consideration of the low-wage question in relation to high U.S. wages opens a complex area of controversy that commands little patience from partisans. Comparisons made on the basis of official exchange rates are on oversimplification. On this basis there is not a single country, including Canada, where wages are second only to this country's, which cannot be put in an unfavorable light.

The charge that wages in Japan are only 14 cents an hour has been made so often that it is now widely believed. Any fair search of the facts will show this charge to be grossly false.

Isolation of the hourly wage rate ignores many other factors. These range through worker benefits that in most industrialized countries cover a greater area than in the United States, including health benefits and vacations for workers' entire families, paid by employers. In addition, year-end bonuses which are not an optional matter, run to several months' wages, depending on an industry's profit gains.

In Japan, for example, where basic wages have been rising rapidly, year-end bonuses which really are incentive payments run as high as 7 months' wages. In that country also, welfare and other benefits extend to members of workers' families.

DISTANCES ADD TO COSTS

More fundamentally, the hourly wage gambit gives no consideration to variations in actual living costs or to other costs of exporting such as those entailed in long shipping distances. Again in Japan, because of its frequent mention in complaints against imports, \$1 converted into yen will buy twice as much of a wide range of products as in the United States.

Still, prices of imported goods in many cases are unquestionably low. Apart from instances where import competition may be clearly unfair to individual domestic producers, differences in prices are the very foundation of foreign trade.

The issue of wage scales abroad also has an historical aspect of some importance. During this century, if not longer, American wages, with some possible exception of those in depression periods, have consistently been higher than those of any other country. Over most of this span also, the United States has been the world's leading exporter, although it is popularly thought that Britain held this position prior to World War II.

Finally, the broad issue of whether the United States can accept a relatively higher volume of imports than other countries turns on a number of factors. These include, in addition to the vital matter of world leadership stressed by President Kennedy, the comparative economic strength of the United States. Through industry, initiative, resources and the grace of God, the United States has become a fabulous economic giant whose strength may be more appreciated abroad than at home.

As a Senator, President Kennedy favored the import restriction he rejected last week on twine and cord and he rejected a return to protectionism as a solution to reviving the Nation's fiscal strength abroad.

In effect, he has indicated that from a standpoint of the whole Nation's interest, policies that build rather than restrict seem most likely to benefit all countries concerned.

[From the New York Times, Feb. 10, 1961]

KENNEDY ON PROTECTIONISM

As President Kennedy said in his balance-of-payments message to Congress earlier this week, "a return to protectionism is not a solution." It was of particular importance for him to make that statement at that time, both to put a damper on the superficial and specious arguments to the contrary, and to give needed reassurance on his own intentions in the light of protectionist remarks he himself had made during the campaign.

Of all the cures for the balance-of-payments position, an increase in tariffs and restoration of quotas would be the worst possible. Quite apart from its political effects, such action would obviously provoke retaliation against American exports, thereby undermining the very foundations of our dollar-earning capacity abroad. The President understands this elementary fact, and within a few hours of presenting the balance-of-payments message to Congress he was able to give proof of willingness to act upon it.

On that very day, in a case that was significant because of the principle involved, he rejected a proposal to employ the escape clause of the Reciprocal Trade Agreements Act to increase the duties on twines and cordage (imported mainly from Canada and Mexico). The Tariff Commission had split three ways: two for, two against, and two not voting. Although Mr. Kennedy had, as a Senator, supported the argument of a Massachusetts company to raise the tariffs, he now, as President, took the broader view in the national interest.

It is clear that as time goes on the President will have to resist mounting pressures to take trade-restrictive action for the benefit of this industry or that one facing competition from abroad. Much of this pressure is coming from the South, historic seat of free-trade policies, but now with its industrialization a hotbed of protectionism. The textile industry—both northern and southern—is only one of the loudest current voices demanding special governmental intervention in this direction. We hope and believe that the President will have the courage to stand firm against these pressures.

But his position need not be the negative one of merely resisting interested requests for protection. It can be the positive one of not only promoting American export trade, as he clearly plans to do, but also

providing for governmental assistance to those industries, communities or areas that really are hit by specific foreign imports.

These are relatively few, but they do exist; and it is to meet the genuine hardships that occur in such cases that we for years have been advocating special Federal help to permit economic readjustments where indicated. Senator Javits introduced such a bill last year; he is proposing a similar one again. This is an infinitely better way to meet the import problem than a reactionary reversion to tariff walls and import quotas that in the long run would be self-defeating and basically injurious to the interests of both the United States and its friends throughout the world.

SPECIAL COMMITTEE ON AGING

Mr. CANNON. Mr. President, I move that the Senate proceed to the consideration of Calendar No. 41, Senate Resolution 33.

The PRESIDING OFFICER. The resolution will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A resolution (S. Res. 33) creating the Special Committee on Aging.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to; and the Senate proceeded to consider the resolution, which had been reported from the Committee on Rules and Administration with amendments; on page 2, line 3, after the word "of," to insert "nine"; in line 5, after the word "resolution," to insert "Six members of the committee shall be appointed from the majority party and three members from the minority party"; on page 3, line 20, after the word "and," to strike out "consultants," and insert "consultants: *Provided*, That the minority is authorized to select one person for appointment, and the person so selected shall be appointed and his compensation shall be so fixed that his gross rate shall not be less by more than \$1,400 than the highest gross rate paid to any other employee"; and on page 4, line 5, after the word "exceed", to insert "\$150,000"; so as to make the resolution read:

Resolved, That there is hereby created a special committee to be known as the Special Committee on Aging and to consist of nine Senators to be appointed by the President of the Senate as soon as practicable after the date of adoption of this resolution. Six members of the committee shall be appointed from the majority party and three members from the minority party.

SEC. 2. It shall be the duty of such committee to make a full and complete study and investigation of any and all matters pertaining to problems of older people, including but not limited to, problems of maintaining health, of assuring adequate income, of finding employment, of engaging in productive and rewarding activity, of securing proper housing, and, when necessary, care or assistance. No proposed legislation shall be referred to such committee, and such committee shall not have power to report by bill or otherwise have legislative jurisdiction.

SEC. 3. The said committee, or any duly authorized subcommittee thereof, is authorized to sit and act at such places and times during the sessions, recesses, and adjourned periods of the Senate, to require by subpoena or otherwise the attendance of such wit-

nesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, to procure such printing and binding, and to make such expenditures as it deems advisable.

SEC. 4. A majority of the members of the committee or any subcommittee thereof shall constitute a quorum for the transaction of business, except that a lesser number, to be fixed by the committee, shall constitute a quorum for the purpose of taking sworn testimony.

SEC. 5. For purposes of this resolution, the committee is authorized to employ on a temporary basis through January 31, 1962, such technical, clerical, or other assistants, experts, and consultants: *Provided*, That the minority is authorized to select one person for appointment, and the person so selected shall be appointed and his compensation shall be so fixed that his gross rate shall not be less by more than \$1,400 than the highest gross rate paid to any other employee; and, with the prior consent of the executive department or agency concerned and the Committee on Rules and Administration, employ on a reimbursable basis such executive branch personnel, as it deems advisable.

SEC. 6. The expenses of the committee, which shall not exceed \$150,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

SEC. 7. The committee shall report the results of its study and investigation, together with such recommendations as it may deem advisable, to the Senate at the earliest practicable date, but not later than January 31, 1962. The committee shall cease to exist at the close of business on January 31, 1962.

Mr. McNAMARA. Mr. President, for the past 2 years I have had the honor of being chairman of the Senate Subcommittee on Problems of the Aged and Aging.

Several weeks ago I submitted Senate Resolution 33, to create a Senate Special Committee on Aging.

The work of this subcommittee is one of the most important I have ever undertaken, and is certainly related to one of the major concerns facing the Senate and the Nation.

This is an area in which great contributions can be made to the health, happiness and productive growth of our aged population.

Today, there are 16 million over the age of 65, and in only 15 years this figure will rise to 22 million.

Increasingly, we are spending more years in retirement, years which should produce a golden harvest of experience and accumulated wisdom.

These should be years of respect, dignity, and useful contribution to neighbors and to the community.

However, for literally millions of senior citizens these years of retirement devolve into years of deprivation, dependency, and decay.

The blows of illness and disease, the insults of low income and charity, the discrimination in employment because of age, the unsuitable housing and the rejection from important functions become their life profiles.

These are the elements which make aging a problem, rather than one of the great social blessings of our civilization.

To reduce this problem, we must establish as quickly as possible the social and economic conditions upon which a life of dignity and productivity must be based.

Some advances were made last year.

The Congress amended the Social Security Act to broaden the public assistance approach to medical care, and this will be helpful to some.

The Congress considered, for the first time, and we almost approved in the Senate, a bill to extend our social security system to provide medical insurance to the aged.

As a first priority, I introduced this year S. 65, the retired persons' medical insurance bill, to provide for the financing of medical care through social security to all retired persons, whether they are eligible under the OASDI system or not.

The Congress approved a \$20 million appropriation for direct loans to non-profit groups to provide suitable housing for the elderly at rentals they can afford.

Senators have introduced bills to abolish discrimination in employment because of age; to establish a U.S. Office of Aging; to develop a senior citizens' service training program; and to protect savings by the authorization of a constant purchasing power bond.

This is simply a beginning. I need only list now some of the problems which we will study in depth this year:

Medical insurance through social security is now at the legislative stage. We hope it will be enacted soon.

But we require careful study on how to reduce excessive hospitalization and to increase the efficiency of medical organization.

A thorough study and evaluation of the condition of American nursing homes should be undertaken.

A comprehensive study of the kinds of housing best suited to the older person is needed, along with an evaluation of the trend toward using retirement hotels and retirement villages.

Other essential areas which need to be studied in depth include: continued use of productive ability; protection of income and pensions; preventing admissions to mental hospitals; expanding basic knowledge through research; and reducing the ravages of ill health and disability.

We have learned a crucial lesson as a subcommittee. The problems of older persons cut across all areas of governmental and legislative responsibility.

A number of committees of the Senate are concerned with portions of the problems, but there is no committee concerned with the relationships of these problems which can review them as a whole.

We need a committee in the Senate to study the problems of the aged on an overall basis, thus avoiding waste and duplication.

This special committee will not have legislative jurisdiction, but will provide information and services to the various standing committees as they consider proposed legislation in their respective jurisdictions.

I have gone over the proposed budget very carefully, and I assure Senators that it is a tight budget and represents the best estimate of expenditures for these important studies.

It means we will have a small staff, but I am convinced that we can do the job for the Senate.

I appreciate the careful attention and concern for this great and growing problem which the Senate of the United States is providing, and for the steps which are being taken to make the retirement years productive and satisfying.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. McNAMARA. I am glad to yield to the distinguished Senator from New York.

Mr. JAVITS. I should like first to support the resolution of the Senator from Michigan, and I hope very much the Senate will approve it, because I think the Senator has put his finger on precisely the right point. We need a committee which will deal with all phases of the subject in one coordinated presentation.

I express the hope, too, to the Senator from Michigan that the Special Committee on Aging might make timely reports in such a way as to influence our action on legislative proposals. For example, on medical care for the aging there is a very strong difference between the proposal of the Senator from Michigan and that of the administration. I do not say that the Senator is opposing the administration. Of course, he is not. But there is a very important supplement in the proposal of the Senator that all the aging be covered and not merely those on social security. The Senator knows that this is a subject very close to my heart and that of the group of Republican Senators who are also very interested in enacting a bill. This is one of the main points which has been made by the Senator from Vermont [Mr. Aiken] and a group which, in a sense, he leads.

Second, there is the problem of age discrimination in employment, which has also been a subject that the Senator's subcommittee has looked into, and a question of the greatest moment, again dealing with legislative questions which may come up in the Senate long before the committee might be inclined or ready to make an overall report. I mention those two examples, at the same time expressing my complete support of the subcommittee and what it is doing. I should like to know from the Senator whether, as chairman of the subcommittee, he contemplates that he will be able to give us interim reports on stated subjects, calculated to have some effect because they are timely in connection with the legislative action which is contemplated here.

Mr. McNAMARA. I assure the distinguished Senator from New York that we shall be in a position to do what he suggests. We already have a great mass of data on all the various aspects of the problem of the aged. The only question is when it is desirable to assemble the data and get them before the Senate. I shall be glad to do as the Senator suggests.

Mr. JAVITS. If the Senator will yield further, I should like to urge, as a means of making the inquiries really pertinent, that the subcommittee should adopt that course as a calculated policy. It is a

subcommittee of a committee on which I serve. I am not a member of that subcommittee at this time. Perhaps some day I shall be. But I do emphasize the need for such action, because so often we see wonderful work performed which comes to our attention when it is purely of academic interest. We shall actually be dealing with the subjects, we hope, on the floor of the Senate. The subcommittee will have a very great opportunity to get the necessary data, and I express to the chairman my expectation that we shall have the benefit of it.

Mr. McNAMARA. I assure the Senator from New York that we shall do everything we can to that end.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. McNAMARA. I yield.

Mr. ELLENDER. I should like to ask my good friend from Michigan what additional studies are proposed to be made by this special committee that could not be made by the subcommittee of the Committee on Labor and Public Welfare?

Mr. McNAMARA. One of the first would be a follow-through on the recommendations of the White House Conference. I am sure the Senator from Louisiana recalls that there was a White House Conference on the Problem of the Aged and Aging, at which people from all over the country got together and thousands of them made recommendations. One of our first objectives would be to follow through on the great mass of recommendations that came from that committee.

Mr. ELLENDER. Why could not that work be done by a subcommittee of the Committee on Labor and Public Welfare?

Mr. McNAMARA. The reason is that the questions and problems that were developed in the White House Conference cut across several of the committees of the Senate. The problems concern not alone the Committee on Labor and Public Welfare. They go into the question of housing, finance, and various other fields. They involve the work of various committees. For that reason there is justification for a special subcommittee.

Mr. ELLENDER. My reason for asking the question is that whenever a special committee of this character is created, I presume its findings would be filed with the Senate. Then when bills pursuant to the recommendations made are introduced, we would have to refer the bills to the regular committees before they are presented to the Senate for consideration.

Mr. McNAMARA. I do not think it would be necessary to study the subject again, because the recommendations would have already been spelled out in some detail. However, such action would be up to the committee, of course. If the Senate were to accept the reports, we would be pleased to hand the committee the information that we had acquired. It would certainly greatly reduce the work of the full committee.

Mr. ELLENDER. I notice in the last sentence of the resolution on page 4:

The committee shall cease to exist at the close of business on January 31, 1962.

Mr. McNAMARA. The Senator is correct.

Mr. ELLENDER. Does that language mean that the Senator contemplates completing the work of the committee within that time?

Mr. McNAMARA. It is a little difficult to say whether by that time the complete field will be totally explored and we will be through with the proposed legislation in that field. It certainly is the hope of the Senator from Michigan that that will be the course, and we would so aim.

Mr. ELLENDER. Does the Senator from Michigan give assurance that every effort will be made to conclude the hearings this year and let the committee expire at the end of the year?

Mr. McNAMARA. We shall make every effort to do all the work required this year, but whether we shall be able to complete the study, and whether, within that period, the Senate will be able through its various committees to complete the program, which at this time seems to be of great magnitude, I could not say. But I assure the Senator that I shall do everything I can to work toward that end.

Mr. ELLENDER. I have asked the same question of many Senators who have proposed the creation of new committees. For example, the Subcommittee on Juvenile Delinquency was created 8 years ago, and was supposed to complete its hearings in about 1 or 2 years at the most, with an expenditure of about \$150,000 to \$200,000. That subcommittee is still in operation and has spent over \$1 million. I hope that we shall not have a repetition of that action in this new special committee.

Mr. McNAMARA. Mr. President, I yield the floor.

Mr. CLARK. Mr. President, I have been a member of the Senate Subcommittee on Problems of the Aged and Aging for the past 2 years, and under the leadership of the Senator from Michigan [Mr. McNAMARA] I believe we have made a real beginning in meeting the needs of America's 16 million senior citizens. The Senator from Michigan has dedicated thought, time, and energy to improving the conditions of our aged, and I want to take this occasion formally to congratulate him on a set of accomplishments which will make American history.

We shall consider this year, and I am sure that we shall adopt adequate legislation to provide health insurance for the aged through social security, on a dignified, self-financing basis.

We appropriated last year funds for a \$20 million program of direct loans to nonprofit groups to build low rental housing for the elderly. I hope and expect that we will increase the authorization to \$100 million and appropriate this amount for the next fiscal year.

As a subcommittee, we have gathered considerable data through studies, hearings, and personal visits, and now have a picture of the outlines of this very complex and important set of problems. Through the creation of this special committee, we will be able to study in depth individual problems such as the condition of nursing homes, low incomes,

decent housing, employment, and productive use of retirement time.

The concerns of our senior citizens are not only nationwide but touch each of us intimately in our home States and home communities.

There are 1,112,000 persons in Pennsylvania over the age of 65, and they represent 9.8 percent of the total population. Practically every 10th person in my Commonwealth is 65 years of age or over.

And ours is a growing State, Mr. President. We expect that by 1970 we will have a total population of 12.2 million people, and of these 1,314,000 will be over the age of 65—10.8 percent of the total population. This is a stark contrast with the situation which existed only 30 years ago—1930—when we had approximately 500,000 persons over 65, 5.3 percent of the total population.

Thus we will not only have more aged persons in absolute numbers but their proportion will be higher and they will be living a longer number of years in retirement.

These years of retirement should not be years of passive parasitism, years of rejection, and of the performance of a role which can only be described as roleless. The aged of this country who have devoted their lives to the amazing growth of the American economy deserve in their retirement years dignity, self-respect, recognition, and above all an opportunity to continue contributing of their abilities and experience.

The hearings of our subcommittee provided not only statistical but flesh and blood evidence of senior citizens in Pennsylvania, and throughout the country, living on old age pensions of \$72 a month; aged couples unable to pay heavy medical bills; widows living alone in cold-water tenements; patients vegetating in nursing homes; older workers being discriminated against in employment.

We have made great advances in Pennsylvania under the past two administrations in improving the conditions of our senior citizens. For example, one of the great rehabilitation centers in the country, if not in the world, is the magnificent John J. Kane Hospital located and operated by Allegheny County. Every day of the week, brilliant physicians, nurses, and other personnel perform miracles in the rehabilitation of so-called hopeless cases. This hospital has a resident population of 2,000 people, 81 percent of whom are over 60. It has demonstrated that at least three-fourths of the totally disabled newly admitted patients can either be rehabilitated or restored to more independent living—including a substantial number who can return to comfortable private living. This fact becomes dramatic when we think of the hundreds of thousands of patients in nursing homes and county hospitals for whom no such treatment facilities are available, needlessly wasting their last years of living waiting for the end.

But even this great hospital has its problems and shortcomings. At the time of our visit, it was filled to capacity, and had a waiting list of 100 women in need of hospital care. Approximately

400 patients in the hospital could have been discharged if there was a place in the community to which they could be sent. I hope one of the major functions of this new special committee will be to study and make recommendations to this Senate for developing the necessary community facilities which can keep our aged citizens independent and self-reliant in their own homes, in their own communities with their friends.

We are fortunate in Pennsylvania that 88 percent of our chronic hospital beds are classified as acceptable by Hill-Burton standards. This is one of the highest percentages in the Nation. But I still have to admit that the Hill-Burton survey indicated that we only met about one-third of our hospital needs—that we require 7,280 additional beds to meet our minimum requirements.

I am proud to indicate that Pennsylvania ranks among the top five in designing and building houses for the elderly, and that Philadelphia specifically is in the vanguard of the Nation. We have built 930 units of public housing specifically for the aged in Pennsylvania and 7 housing authorities are now planning 1,000 dwelling units exclusively designed for elderly single persons. But the rapid growth of our elderly population with limited income will require greater expansion of low-rent public housing not only in Pennsylvania but in every State of the Union. The Special Committee on Aging, which we are creating today should be concerned not only with physical housing environments, but should study in depth the kinds of health, social, religious, and recreational services which must accompany suitable housing, to insure independent, fuller lives for the elderly.

The needs of the aged are varied and cut across the entire gamut of governmental responsibility. Thus far, their needs have been viewed in bits and pieces, by separate agencies and by different committees. The standing committees in the Senate such as Labor, Finance, Banking and Currency, and others, have major legislative responsibility in specific areas affecting the aged.

These committees will want to act not only on the basis of traditional assumptions or habitual ways of thinking framed with reference to the younger age groups, but rather with the information provided and kept current by a Senate committee devoting its full time and attention to the problems and prospects of our senior citizens. For the problems of older persons are all interrelated and must be viewed as a whole. No proper solution can be found that is not based on an understanding of the totality of the concerns that confront the senior citizens of today.

Mr. President, no committee that we have created has had the potential for contributing to the welfare of our Nation as the Special Committee on Aging that we will be creating today. We will have in the Senate one committee and one staff of specialists to which we can all look to for guidance in planning and formulating legislation to make aging in America a privilege to anticipate, rather than a burden to be feared.

These are exciting and winning times in the lengthening of meaningful human life, and I recall the beautiful prayer of the Navaho poet, who said:

In beauty I walk
With beauty before me, may I walk
With beauty all around me, may I walk
In old age, wandering on a trail of beauty,
lively may I walk
In old age, wandering on a trail of beauty,
living again may I walk;
It is finished in beauty, it is finished in
beauty.

Mr. LONG of Hawaii. Mr. President, I wish to speak in support of Senate Resolution 33 to authorize a special Senate Committee on Aging. The problems of the aged and aging have been of deep concern to me for many years. Because of my concern with these problems, I have followed with great interest the work of the subcommittee on problems of the aged and aging headed by the distinguished Senior Senator from Michigan [Mr. McNAMARA]. That subcommittee has served effectively to focus national attention on the needs of the elderly and the urgency of programs which must be undertaken to meet the challenge those needs pose for our society.

The subcommittee, in the most comprehensive study of the subject ever undertaken, has shown that the problems of the elderly are more complex than we had previously thought and that the magnitude of the problem is increasing rapidly. There are now 16 million people in this country 65 years of age or older. And progress in medical science is continually extending our life expectancy.

The implications of this are far reaching. It has been forecast, for instance, that young families will soon face the prospect of housing and supporting not only one, but two—and in extreme cases even three—generations of retired elders.

In Hawaii, which has a youthful population in comparison with most other States, the number of persons over 65 is expected to increase by 70 percent in the next 10 years, from today's 29,000 to 49,000 by 1970. There was an increase of 38.8 percent between 1950 and 1958 in the population of persons over 65 in Hawaii. In 52 States and territories during that same period, the percentage of increase was exceeded only by Florida, Arizona, and New Mexico.

One conclusion which is obvious to me as a result of the fine work of the McNamara subcommittee is the variety of problems involved in our increasing population of persons over 65. Medical care and research, employment opportunities and retraining, maintenance of purchasing power for those depending on savings and retirement benefits, and housing, to name some of the more obvious ones, show how these problems cut across the jurisdictions of a number of legislative committees.

The McNamara subcommittee has served to show the magnitude and complexities of the problems; the necessity for the proposed special committee is obvious. The growing number of elderly citizens is one of the great challenges of our time. We have the resources, the

brains, and the spirit to meet that challenge. Establishment of the special committee will show that Congress recognizes the challenge and is prepared to meet its responsibilities. I urge adoption of Senate Resolution 33.

Mr. HARTKE. Mr. President, I would like to add my own comments on Senate Resolution 33, which would create a Senate Special Committee on Aging, for several reasons, not all of which can be gone into here. The first reason is related to the fact that my own State of Indiana now has about 450,000 senior citizens and their proportion of the total State population is higher than the national proportion. About 1 out of every 10 citizens in my State is at least 65 years old. If we add the numbers of women between 62 and 65, the ratio is even greater.

The report on the status of the aged in my State, which was prepared for the White House Conference on Aging, of last month, comprises more than 300 pages, and it provided me with more than enough grounds for supporting the resolution before us. It convinces me that the conditions of the older citizens in my State are typical of a situation that affects the entire Nation. The material on income, for example, and on employment problems, nursing homes, and retirement activities—all point to a need for concerted action on all levels—local, State, and Federal.

Another reason for my support of the resolution creating a Special Committee on Aging stems from my personal contact with the professional staff of the preexisting Subcommittee on Problems of the Aged and Aging, Mr. Sidney Spector and Dr. Harold L. Sheppard. I assume these two experts in the field of aging will continue to serve on the special committee staff. Indeed, I sincerely hope that they do, since in the course of the past year I have received the utmost cooperation and skillful information from them on a wide number of items that have come to me in my activities as a Member of the Senate and of the Committee on Finance.

This experience has demonstrated to me and, I am sure, to many other Members of the Senate, not how indispensable these two particular professional experts on aging might be, but rather how important is the existence of a committee dealing full time with the subject of aging itself. It means, first, that the Senators who would be the members of such a committee would consider this area of public concern more than a sometimes thing. This would be the case if we act on the belief that the subject should be chopped up into little fragments and parceled out to the different standing committees which might conceivably have something to do, in a limited way, with a specified fragment of one particular problem of the aged.

But such an approach is unproductive for the Senate, and leads to nowhere. The existence of a Special Committee on Aging, on the other hand means the immediate availability of a clearinghouse for information and recommendations. It means that we would, in each of our standing committees, have the services of a full-time profes-

sional staff at our disposal, with wide experience and knowledge, and with national reputations, in the field of aging, as well as the recommendations that can be expected from the members of such a special committee.

Because of these and many other reasons, Mr. President, I urge the prompt approval of Senate Resolution 33. I look forward to greater accomplishments by the Senate and by the Nation as a result of the existence and work of this Special Committee on Aging.

Mr. ENGLE. Mr. President, in 1950 my State of California counted among its people some 500,000 who were 65 years of age or older. By 1960, Mr. President, just 20 years later, that number had grown to more than a million two hundred thousand.

These people, whom we are proud to list among our citizens—these men and women, so many of whom built the California which is today attracting such a great influx of young people—these more than a million older, more mature citizens are alert, they are intelligent, they are literate, they are vocal. We know the problems which confront them. We know the indignities to which they are so often exposed. We know their hopes, their aspirations, their all-too-justified expectations.

Mr. President, we in California know what usually happens to a man suddenly robbed of his job because the calendar says he has passed a certain birthday. We know what it means to a man to be suddenly torn from his familiar workday surroundings; robbed of the friends with whom he has talked daily for decades; told he is no longer needed or wanted. We know what a blow it is for those whose income is halved or cut to a third just at a time when their need for doctors, for nursing care, and for drugs begins to mount. We know of the difficulties of finding jobs or occupations, proper housing, proper food, proper care.

Yes, Mr. President, we know these things but we also know, in California, because so many of our older citizens were lucky enough to be able to plan ahead and to finance that planning, because our State and its local communities and its people planned with them, we know, too, that given certain things and certain attitudes the prospect of living into one's eighties and nineties can in fact be good and meaningful and desirable rather than ugly, drab and fearful.

We know these things. We know, too, that despite the most vigorous efforts of individuals, of local groups and communities, and of an intelligently run State government, solutions to the problems confronting our senior citizens must, of necessity and in many spheres, require action on the part of the Federal Government.

Let me say, in passing, that though we have been faced with the problems of an older society earlier and more intensely than have some other communities, these problems are less severe in California than they are becoming and will be in other States of the Union. Elsewhere the percentage of people over 65 is rising. In California, it is going down. Whereas

8 percent of our people were over 65 in 1940 compared to 6 percent in the Nation, today less than 8 percent of our people are over 65, whereas the average is almost 9 percent throughout the country. Because of the great influx of young people into California our numbers of older people have been going down proportionately, while in other States they are going up.

What this means is that the problems which were ours are now to be more than ever yours. That what we have learned may become increasingly of value to you.

One of the things we have learned is that the multitude of problems which have attended our success in prolonging life—social problems, economic problems, moral and philosophical problems—are of such nature that if they are to be resolved we must have the active, helpful cooperation of the Federal Government. If that cooperation is to be helpful and wise, it must be based on a real understanding of the problems, on accurate information, on truly knowledgeable insight.

It is to help us achieve these things, to enable us to properly discharge our obligations to the more than 16 million Americans who are over 65, that I support this resolution.

The Senate of the United States must create the means whereby it may ever keep itself informed as to the role in our society of this great group of our people. We need, and I trust we will today create, a Special Committee on Aging.

Mr. McNAMARA. Mr. President, the Senator from West Virginia [Mr. RANDOLPH] could not be present in the Chamber today, and asked me to request unanimous consent to insert his remarks on Senate Resolution 33 in the RECORD. I therefore ask unanimous consent that they may be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR RANDOLPH

FEBRUARY 11, 1961.

It is with a genuine feeling of concern that I support Senate Resolution 33, to establish a Senate Special Committee on Aging.

In the first place, my home State of West Virginia is one of the very small number of all the 50 States in which the population change has experienced a rather paradoxical shift. Although the total population of West Virginia has decreased over the past decade, the number of aged West Virginians has increased. Given the widely publicized conditions of economic distress in our State, such a population trend is an added danger signal—a signal of an underlying crisis which demands not only State action but Federal action as well.

There are two main conclusions to be drawn from an appraisal of West Virginia population figures in the context of our present economic conditions:

First, a disproportionately higher number of older workers are suffering from unemployment and underemployment.

Second, the State of West Virginia, by itself, is not in a position to provide the degree and kinds of normal—not to mention emergency—services to its older citizens which they need and deserve to have.

This is a problem which is not unique to West Virginia. It is a national phenomenon, and it requires remedial action on a national scale.

With the closing of the White House Conference on Aging, the Special Committee on Aging which would be established by the pending measure would thus be the only instrument of national scope which would be concentrating intensively, on a full-time basis, and in an unfragmented way, on the challenges of an aging population.

Another reason why I support Senate Resolution 33 is that for 2 years I was a member of the now expired Labor and Public Welfare Committee's Subcommittee on Problems of the Aged and Aging.

In my experience on that subcommittee, under your able and conscientious chairmanship, and with a small staff of reliable experts in aging, I was confronted with the myriad of serious consequences that have developed in our society as a result of America's strides in reducing mortality rates in the early years of life and in improving our living and working conditions in the middle range of life.

And I do not mean I was confronted merely by statistics and expert reports and testimony during hearings. I mean, also, that we of the subcommittee were presented with the living examples of older men and women with whom I met and talked—often in deplorable and dilapidated rooming houses in the decaying hearts of our cities, and often in nursing homes that are an affront to the conscience of a moral and civilized society.

I saw and talked with workers in their fifties, victimized by plant and mine shutdowns and penalized by an age discrimination which labels them as "too old to work and too young to retire."

Senator, you know of course that we also viewed some models—though too infrequently—of wonderful retirement villages and of rehabilitation centers that prove how restorative medicine can perform miracles in reducing the physical afflictions of the aging process. And I need not remind you that, given a natural span of life, none of us will remain completely immune to these afflictions.

Under your outstanding leadership, our subcommittee performed the service of surveying the range of problems before us. The Special Committee on Aging would, as a result, be in a position to launch a period of intensive investigation into each of the problems and the areas of opportunity that our increasing millions of senior citizens face today and will face in the decades ahead.

The standing committees of the Senate would, I am positive, benefit from this data and special committee recommendations—and the Nation as a whole would learn with gratification of the priority we place on the urgent necessity of making human life increasingly meaningful and rewarding during the 15 years of retirement that is given to the average American citizen.

Senate Resolution 33 is a vital measure and I applaud and support your leadership in forwarding its progress toward what I know will be acceptance and passage by the Senate.

The PRESIDING OFFICER. The question is on agreeing to the committee amendments.

The committee amendments were agreed to.

The resolution (S. Res. 33), as amended, was agreed to.

The preamble was agreed to.

ELIZABETH J. DOUGHTON

Mr. CANNON. Mr. President, I move that the Senate proceed to the consideration of Senate Resolution 83.

The PRESIDING OFFICER. The resolution will be stated for the information of the Senate.

The LEGISLATIVE CLERK. A resolution (S. Res. 83) to pay a gratuity to Elizabeth J. Doughton.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to; and the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution was agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Elizabeth J. Doughton, widow of Walter L. Doughton, an employee of the Senate at the time of his death, a sum equal to one year's compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

THELMA AUSTON BROWN

Mr. CANNON. Mr. President, I move that the Senate proceed to the consideration of Senate Resolution 84.

The PRESIDING OFFICER. The resolution will be stated for the information of the Senate.

The LEGISLATIVE CLERK. A resolution (S. Res. 84) to pay a gratuity to Thelma Auston Brown.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to; and the Senate proceeded to consider the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 84) was agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay, from the contingent fund of the Senate, to Thelma Auston Brown, widow of Coy Brown, an employee of the Senate at the time of his death, a sum equal to three months' compensation at the rate he was receiving by law at the time of his death, said sum to be considered inclusive of funeral expenses and all other allowances.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SCHOEPPPEL. Mr. President, will the Senator from Louisiana yield for a unanimous-consent request to consider a nomination?

Mr. ELLENDER. I yield, provided I do not lose the floor.

EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate proceed to the consideration of executive business for the purpose of considering a nomination.

The motion was agreed to; and the Senate proceeded to consider executive business.

EXECUTIVE REPORT OF A COMMITTEE

The following favorable report of a nomination was submitted:

By Mr. SCHOEPPPEL from the Committee on Interstate and Foreign Commerce:

Rowland Burnstan, of Illinois, to be an Assistant Secretary of Commerce.

ASSISTANT SECRETARY OF COMMERCE

The PRESIDING OFFICER. The nomination will be stated.

The legislative clerk read the nomination of Rowland Burnstan, of Illinois, to be an Assistant Secretary of Commerce.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. MANSFIELD. Mr. President, I move that the President be immediately notified of the confirmation of the nomination.

The PRESIDING OFFICER. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

REPORT BY SENATOR ELLENDER ON U.S. FOREIGN OPERATIONS

Mr. ELLENDER. Mr. President, I wish, first, to apologize for presenting to the Senate such a long report. I have made many trips abroad since 1946. My usual procedure is to send questionnaires, far in advance of my arrival, to the various embassies or consulates which I intend to visit. Then the persons whom I expect to interrogate will know the subject matters upon which I expect to examine them.

Last year it was my privilege to visit 35 countries. In addition to what I shall say about those 35 countries, I have also included in my report the completed questionnaires from 11 other countries I was unable to visit.

Mr. President, this report is not the work of a committee. Ever since I have been in the Senate, I have tried to practice what I preach. The work entailed in the report which I shall present to the Senate today represents my own individual work together with the assistance of my staff. As I travel abroad, I make notes in my own handwriting and send those notes to my office, where they are transcribed. Those notes have formed the basis of the reports I have made in the past, just as they form the basis of the report I am about to make today. I do not expect to go into details in the report, but I hope to make general observations in respect to my travels.

Mr. President, when Congress recessed for the national conventions, last year, I made the first of two trips abroad that year, to inspect most of our foreign missions in certain countries. Following the presidential and congressional elections in November, I made a second trip, to complete my investigations, as I had planned. I undertook these studies under the auspices of the Senate Appropriations Committee, of which I am privileged to be a member.

On most of my trips abroad made prior to 1952, I made verbal reports. Beginning with 1952, I have been making formal reports; and the committee print, a copy of which is on each Senator's desk, is my eighth written report.

Mr. President, this report contains 1,150 pages. I ask unanimous consent that copies of the report be sent by pages to the offices of all Senators.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. ELLENDER. Mr. President, during my first trip, last year, I visited most of the NATO countries of Western Europe, as well as Poland, Czechoslovakia, and Hungary. On the second trip, my itinerary included 25 countries in the Middle East, Far East, and Africa, with visits to Yugoslavia, Rumania, Bulgaria, and Greece.

Because of the grave conditions, both on the domestic and foreign scene, in which our country finds itself, I have attempted in this report to provide a general assessment of U.S. world operations during the past decade in the aid, military assistance, and other programs. In addition, I have attempted to gauge the effectiveness of such programs and the action which I feel is necessary if our country is to retain its position of world leadership.

I returned from these two trips abroad, much discouraged at the harvest our aid effort has reaped, alarmed at the future consequences in store for our Nation unless significant basic changes are made in our programs, and convinced that what began as a nourishing broth of "international cooperation for peace" has become a witches brew—a serious threat to our own economic stability and growth.

The danger signals resulting from 10 years of abuse of America's generous impulses, from a decade of many ill-conceived and loosely managed expenditures of America's wealth, have been apparent for quite some time, and, in fact, have often been brought to the attention of Congress. Today, the storm threatens to break upon us.

In 1948, the first year of the Marshall plan, the United States occupied an enviable position of economic and military strength. Today, after 13 years of unselfish effort to bolster the economic and military positions of less fortunate nations throughout the world, we have been reduced to the point of an all-out effort to maintain equality with the Soviet Union in the area of military power.

In 1950, the dollar was truly "as good as gold." Today, the dollar's strength is showing signs of weakness; our gold balances continue to decline; and a sub-

stantial segment of international banking circles believes that the United States must either pull in its belt, or devalue the dollar, or both.

Not all of these difficulties can be traced to the foreign-aid program, but many of them can. By early 1951, as Europe's agricultural and industrial production began to exceed prewar averages, as the task of reconstruction ended—since the proposed goals had been reached—an area of unprecedented European growth began. U.S. economic assistance should have been tapered off then.

It will be recalled that in 1951 I made such a recommendation, but the logic of this view was ignored, because at the time the Korean war had begun.

With the Red onslaught in Korea came another and vastly different kind of threat. Where once, in the late 1940's, Soviet aggression against the free world had taken the form of subversion and efforts to gain control of political processes by quasi-legal means, the threat of the 1950's was armed aggression. At least, this was the official U.S. evaluation of the situation, and our European allies agreed.

America's planners, both economic and military, were not able or willing to adapt programs to the changes made necessary by world events. The concepts exemplified by the Marshall plan and NATO—concepts which were, for a limited period, effective in Western Europe—were subsequently expanded to other areas of the globe.

Apparently it was believed—for the Congress was so informed—that the specter of "creeping communism" could be exorcised only through massive doses of economic aid to other countries, including the so-called underdeveloped countries, plus so-called collective security arrangements in areas other than NATO.

It should be remembered that at the time when these concepts were initially fostered, the United States was at war in Korea. World conditions of the moment required action; and, on representations of persons generally believed to be competent, the Congress acted quickly and forcefully.

It will be recalled that mine was one of the few voices lifted in opposition to these programs; but the cries of opponents were drowned out by the shouts of those in favor. As a result, America's aid burden grew.

The countries of Western Europe were kept on the United States aid list despite their achievement of full recovery; and America's treasure began to flow into a host of other areas. Economic and technical assistance agreements were negotiated with almost every country not behind the Iron Curtain; military assistance pacts were concluded with most of the same countries. Each pact bound the United States to defend the other contracting party, in case of attack; but few, if any, bound such other party to spring to our defense, in the event of an attack upon the United States.

In my inspections, one singularly amazing factor has consistently stood

forth: the unwillingness of American administrators to tailor assistance—both military and nonmilitary—to local conditions. This initial failure to adapt programs to meet the needs of a particular area has not been overcome during subsequent years of practical experience.

I have seen examples of this, time after time, year after year, in country after country.

Our failure generally to adapt to changing conditions has wreaked havoc with our NATO alliances. It will not, and cannot, be disputed that there are differences of opinion among the Western allies as to how best to deal with the Soviet Union. When these differences arise, American administrators, in order to procure the kind of program they feel necessary, are placed in the position of either obligating the total cost, or most of it, to the American taxpayers, or seeing their plans go by the board.

It is obvious that even where differences of opinion between the United States and the other Western allies are not so apparent our European allies are insistent upon "letting Uncle Sam do the work." Witness Korea, where the overwhelming majority of foreign troops consisted of American forces, and where even now the United States is in full charge of the aid program, both military and economic. It is a truism that should Red forces obtain dominion over the Korean peninsula the security of the entire free world would be threatened—the security of the United Kingdom, France, Belgium, and other countries, as well as that of the United States. Yet at no time has the United States been able to prevail upon such other countries to effectively participate in the aid program in Korea.

The lessons of the past have apparently been wasted upon U.S. leadership, although there are hopeful signs that perhaps, at long last, the Department of State is learning that, in return for unstinting U.S. aid in the postwar years, our European neighbors are not above rewarding their benefactors with consummate ingratitude. I could not help but recall my first visit to Germany in 1946, shortly after World War II—the bombed-out buildings, the despair, the fear that before long what remained of German industry would be Russian operated. Today, Germany is in the throes of an economic boom. The mark is rock solid, Germany's budget is in balance, and, compared with ours, her tax rates are most favorable. In spite of all this, the German Government only this past fall refused to help pay the costs of U.S. troops in Germany—present, I might add, to defend Germany against possible Red aggression—in order to help overcome the drain on America's gold reserves.

At this point, I wish I could tell Senators, and other Americans in particular, what I found in Western Germany in respect to the assistance being rendered us by our so-called NATO allies. But I can say to any American father or mother who has a son tonight in Western Germany—that son would be in mortal danger, because of the lack of assistance to be given by our so-called

allies if Russia were to attack—which I do not believe she will. I wish I could tell the public what I found. Somebody would want to use a shotgun or brickbat on somebody for permitting such a situation to exist as now exists. It is just shameful, Mr. President.

Far too long, the United States has turned the other cheek. Far too long, our leadership has submitted to demands on the part of Europe's leaders that all negotiations with the Soviet Union be cleared in advance with them. It is time for our Nation to recognize and insist that if the United States is going to carry the burdens of free world defense throughout the globe, then we are entitled to indulge in freedom of action vis-a-vis negotiations with the Soviet Union. On the other hand, if the leadership of Europe and other beneficiaries of U.S. largesse are to insist upon exercising control over such elements as disarmament, et cetera, then they should be willing to pay the price by way of increased domestic defense costs, as well as larger volumes of assistance to underdeveloped lands.

It is my view now, as it has been my view of almost a decade, that unless immediate and basic changes are made in our foreign policy, both in theory and in execution, the United States stands in grave danger.

We certainly cannot carry the free world's load alone; to do so invites economic disaster and the destruction of the West's greatest bastion of economic strength. Further, the present situation, where the United States has become the arsenal for the free world—a development which has come because of the unwillingness of our allies to provide material for their own defense—would invite disaster should war come. Logistics alone—the movement of men, weapons, food, and fiber—to allied armies would pose almost impossible problems.

For these reasons, I recommend that greater emphasis be given to the United Nations; wherever possible, any action taken, military or economic, should be funneled through the United Nations, be it in the Congo, Laos, the Middle East, or any other area, with each nation bearing its fair, pro rata share of the cost. The United Nations, as an organ for preserving and maintaining the peace, must be strengthened. That the United Nations has a multitude of faults is obvious, but the United States must take the lead in eliminating these faults, without impairing U.S. sovereignty.

It has finally been driven home to the American people that neither our economy nor our fiscal resources are in the best of condition. "Balance of payments," a term known only to economists a few short years ago, has become ominously familiar to the rank and file of our citizens.

In September 1959, in an address to the Senate in connection with debate on the mutual security appropriation bill, I again pointed out that more dollars were leaving America than were coming in, that these dollars were being converted into gold, and that our gold reserves were growing perilously low. I offered then,

as I did in previous years, certain amendments which would have assisted in correcting this danger. While my amendments were shouted down, my remarks evidently caused some soul searching in the executive branch, because just a few months after my amendment of 1959, which would have required loan proceeds from the Development Loan Fund to be spent in the United States, was defeated, the Secretary of the Treasury endeavored to accomplish such a result by directive.

This matter of unfavorable balance of payments is, in my judgment, second only to the threat of domestic unemployment as the principal danger facing this country today.

When the deficit in our balance of payments approximated \$2.6 billion in 1950, there was little reason for concern. The once prosperous countries of Western Europe and Japan had little or no gold reserves and the amount of short-term dollars held by them was negligible, when compared to their current holdings.

Prior to, and immediately after, World War II, the United States was able to maintain its creditor position in world finances to compete effectively on world markets, because despite higher labor costs here, American production facilities were more modern than those of our competitors, American technology was generally superior and, through the miracle of mass production, American goods were of a higher quality for the price paid.

With the advent of the Marshall plan, the United States began to share the fruits of its technology with other countries—to rebuild their devastated industrial complexes—to further reduce tariff barriers to permit the recipients of our aid to earn dollars, in order, we are told, to become better customers of the United States.

Unfortunately, the United States extracted no concessions in return for this aid, relying instead upon the theory that the countries of Western Europe, once restored to economic health, would "do unto Uncle Sam as Uncle Sam had done unto them."

That was the view of Mr. Paul Hoffman, the first Administrator of this program, when it was known as the European Cooperation Administration. He said, "Make Europe prosperous—the Europeans will buy more from us."

I shall not go into the details as to what is happening now, because everybody knows about it. Europe today is as prosperous, if not more prosperous than, it has ever been. Europe today is one of our chief competitors in world trade and is taking away from us millions of dollars worth of exports which we enjoyed in previous years.

This theory proved woefully false, and now we find ourselves in dire financial straits because of a decade of deficits in our balance of payments.

In this time of crisis, more than lip-service is necessary to solve the balance of payments dilemma. Our Government must take immediate steps to the end that the problem can be solved to-

day—not tomorrow. There is not a good, sound, or sufficient reason for us to delay.

Therefore, I believe that the following actions should be taken immediately:

First. Military grant assistance to the dollar surplus countries of Western Europe and Japan should be entirely eliminated and replaced by a military equipment sales program.

As I pointed out last year to the Senate, Western Europe is prosperous. When I say Western Europe I do not include Greece and Turkey, but only the countries of Western Europe from Italy westward. In the bill passed by the Senate last year there was \$750 million of borrowed money made available to the countries of Western Europe, to buy equipment and aid them in their defenses.

As I pointed out in this report, many countries which are still receiving aid from us are spending from 3 to 4 percent of their gross national product on defense, as compared to the 11 percent we are spending of our gross national product for this purpose. One country, in particular, is spending less than 3 percent of its gross national product on defense. Unfortunately, these figures have been classified as secret.

As a matter of fact, Mr. President, some of the countries to which we give assistance are better able than we to carry the burden which now faces us.

Second. All moneys appropriated to the Development Loan Fund and the International Cooperation Administration should be spent in the United States, without exception, unless it should be completely impractical.

Third. A study should be initiated immediately to determine the feasibility of reducing the manpower that the United States has deployed in NATO Europe, as well as in other parts of the world. Our NATO obligations should be reevaluated, to the end that each member nation will share its just proportion of military equipment and manpower.

Mr. President, I repeat: I wish I could tell the American people what I found in these NATO countries of Western Europe. It is shameful the way some countries have withdrawn their manpower from the joint effort and how they have failed to provide needed equipment.

Fourth. There should be imposed immediately tight restrictions on all offshore procurement carried on by the International Cooperation Administration, the Department of Defense, the Atomic Energy Commission, the Bureau of Reclamation, the General Services Administration, and all other agencies engaged in extensive buying from the hard currency countries.

Fifth. The disbursements of funds to promote travel of American tourists abroad should cease immediately, if it has not already been accomplished. Although I am not opposed to American tourism, I believe the dollars expended could be used to better advantage by promoting the travel of foreigners to America, in view of the alarming deficit in our balance of payments.

In any assessment of our foreign operations, we should not overlook the fact that as of today, notwithstanding the expenditure of over \$86 billion, there has been a steady decline in our position as world leader. Our prestige has suffered immeasurably. During this same period Russia has gained new strength and is threatening to replace us in our position of world leadership.

When any attempt is made to assess what our future relationships with the Soviet bloc may hold, or what courses we should chart, it must be kept in mind that no longer do the Soviet Union and the United States alone stand preeminent in world affairs. The rubble of Western Europe and Japan has been transformed into a viable economic third force. The world's political atmosphere, only a decade ago consisting of a choice between Stalinist communism and American freedom, has been supplemented by an upsurge of such age-old philosophies as neutralism and nationalism, plus the virulence of the Red Chinese brand of totalitarianism.

Although once the Soviet Union and the United States offered two clear-cut and clear choices around which world sentiment and opinion could polarize, other energies have now entered the magnetic field of international relationships. Because of this, and for other reasons it is obvious that policies formulated in 1946, or even 1956 or 1959, are no longer necessarily valid today.

But the necessary changes have not been made.

To a large extent, U.S. policies vis-à-vis the Soviet Union in 1960 were contained within the same context originally developed in 1946. Despite overwhelming evidence to the contrary, too many policymakers operated on the theory that during that 14-year period no changes had taken place within the Soviet Union.

In formulating these policies, as well as in executing them, what may well prove to be the decisive element has gone largely ignored, and that is the opportunity to force a revision of both the Soviet Union's internal and external policies through the strength of our example.

It is necessary, of course, to maintain a position of relative, and preferably superior, military strength, insofar as our dealings with the Soviet Union are concerned, for to do otherwise would be to court disaster. But, at best, the maintenance of military strength as a deterrent is a negative force; it is simply a holding action, a development which is required pending the application of some other elements in the arena of international power.

It is apparent that the United States has so far succeeded in frustrating any direct and overt expansionist moves on the part of the Soviet Union, but what are we doing to dissolve and dissipate the desire to make such moves in the first place?

While halting a threat is one thing, and dissolving it is quite another, efforts tailored to achieve such dissolution must be based upon a realistic appraisal as to how best to move.

In the field of United States-Soviet relationships, the most potent offensive weapons we possess have gone largely unused—namely, the relative merits of our industrial and economic system, and the overwhelming superiority of our political and spiritual institutions.

A vastly enlarged exchange program—something I have been preaching for the past 7 or 8 years—and a broadening of cultural contacts between the East and the West offer the best and most fruitful approach. By every means at our disposal we should attempt to bring about such an expanded program. This poses difficulties, of course, not the least of which is the possibility of opening our border to other than bona fide Soviet students, scholars, farmers, and the ordinary run of tourists, but this contingency, too, can certainly be met, through tighter security efforts and a frank denial of the privilege of inspecting U.S. military and atomic installations. Within the limitations just outlined, I would advocate an exchange of persons not on a basis of 1 to 1 or 10 to 10, but on an unrestricted basis as to numbers.

The United States must not deny itself the use of an approach which offers the best possibility of easing East-West tensions, an approach which does not involve further accommodations of our own position to Soviet demands, but rather an approach based upon an effort to create within the Soviet people a desire for more economic, political and spiritual freedom.

Mr. President, based upon the data I accumulated during my two trips abroad I believe there is clear and convincing evidence which urgently calls upon the executive and legislative branches of our Government for immediate action.

We can no longer tolerate a deficit in our balance of payments.

We can no longer continue a foreign aid program based on the Marshall plan concept, which served well from its inception through fiscal year 1951, but which ceased to have application after that time.

We can no longer bear alone the burden of furnishing grant aid to the underdeveloped countries of the world.

We can no longer endure inefficiency and waste in our foreign operations.

We can no longer permit the loss of dollars through inept business dealings with foreign countries.

I would like to propound a series of general recommendations which, if properly carried into effect, can go a long way toward alleviating much of the difficulty in which this country finds itself today. Unless action is taken, the alternatives are not pleasant to visualize.

First. Any newly programed economic grant aid, with the possible exception of Latin American countries, should be advanced on a multilateral basis, through the United Nations, and the U.S. allotment should under no circumstances exceed 33½ percent.

Second. Existing bilateral economic grant aid—direct U.S. aid—programs should be tapered off, and at the earliest possible date, be placed on a multilateral basis, through the United Nations.

Third. All future bilateral economic aid—direct U.S. aid—should be placed on a loan basis through the Development Loan Fund, and to the extent possible, these loans should be repaid in dollars, with the option resting in the United States to accept some other mode of repayment.

Fourth. It is recommended that the arbitrary use of unrealistic foreign exchange rates, which result in huge unrecorded losses to the United States in connection with the sale of agricultural commodities pursuant to Public Law 480, title 1, and in connection with Public Law 480 and other mutual security loan operations, be prohibited; and that the business transactions incident to our mutual security loan operations be placed on a businesslike basis, and not used as a cloak for charity. It is further recommended that Congress closely scrutinize the operation of such mutual security programs for administrative abuses and to assure that the programs are placed on a sound fiscal basis.

Fifth. The number of Americans serving abroad in a nonmilitary capacity should be reduced, and those who are sent to foreign stations should be submitted to a rigorous predeparture training.

Sixth. It is recommended that the exchange-of-persons program generally, be expanded. By every means at our disposal, an attempt should be made to bring about a vastly enlarged exchange program and a broadening of cultural contacts between the East and the West, as it is believed that this is the best means of promoting mutual understanding, the merits of the U.S. way of life, and the dissipation of the theory that communistic and free world countries cannot peacefully coexist.

Seventh. It is recommended that every effort be made to increase trade between the so-called Eastern bloc and the United States. We should not fear competition. In that connection, the Battle Act should be reevaluated.

With reference to the U.S. Information Agency, my recommendations are as follows:

First. It is recommended that much greater emphasis be placed upon expediting the construction of powerful radio transmitters in the United States capable of beaming an effective Voice of America to foreign countries; that the hours devoted to VOA activities be increased, particularly in the countries of Latin America; that the content of the programs be improved and made more objective; and further, that much greater effort be made to have VOA broadcasts rebroadcasted by the medium-waved stations in foreign countries, as well as by our own ships at sea, wherever feasible.

Second. On the basis of the record, I am convinced that the U.S. Information Agency, as now operated, has about served its purpose and that drastic changes as to its operations are in order.

Accordingly I strongly recommend that:

(a) We do away with all our information centers, for they are regarded in

most countries as purely propaganda outlets for spreading imperialism.

(b) In all countries, particularly the underdeveloped nations, jointly supported binational centers, designed to truly depict life in America, be established. English, and so forth, could and should be taught in these centers. They should be regarded and administered as community centers, where the best aspects of Western, particularly American, culture and technology can be displayed.

(c) Existing USIS libraries should be placed under the supervision of these binational centers, with locals in charge.

(d) Libraries maintained at U.S. expense, in such countries as the United Kingdom, France, Belgium, Germany, Italy, and so forth, should be immediately turned over to either local organs for operation, or as an alternative, joint U.S.-local committees should be formed to take over their maintenance. There is no logical reason for the United States to continue to maintain libraries in such countries, and the practice should be terminated at once.

(e) Present USIS movie libraries and TV scripts could be made available through the binational centers to local users.

(f) Libraries for research should be made available at our Embassies and local personnel should be hired to operate these facilities.

(g) The press operation of USIA should be dispensed with and the Embassy should take over the duty of making available to the foreign country, newspapers and periodicals, important speeches, messages, and so forth, by American officials.

Wisely administered, a program of the type I have recommended, in addition to saving many millions of dollars, would be relatively free of the taint of propaganda which hangs over most of our information centers as presently operated. It would permit the United States to do a more effective job, vis-à-vis our own interest, and further, would prove of benefit to countries wherein the program operates. These functions, I wish to reemphasize, should be placed on a grassroots basis, if at all feasible. Our Embassies could and should offer encouragement and assistance where necessary, but to the maximum extent possible, the exchange program, binational centers, and so forth, should be closely identified with the local people.

In the field of Embassy operations of our Foreign Service, my recommendations are:

First. A vigorous effort should be made to streamline the operations of our Embassies. In this connection, our Ambassadors should be given greater authority over the retention and release of personnel, as I previously recommended. Furthermore, the Ambassador should be given some control over the kind, type, and quantity of reports prepared by the various sections of his office.

Second. The size of staffs in all sections of the Embassies should be reevaluated, with a view toward effecting either the reduction of U.S. personnel, or of substituting local employees, par-

ticularly in the economic-commercial and administrative sections.

In that connection, it requires much money to keep an American abroad. In many of the Western European countries local people could do the same work done by Americans for little more than one-third of the cost. To pay the local people, of course, we could use local currencies.

Third. The personnel of the political sections of the Embassies should be drastically reduced, if not eliminated, wherever possible, and the principal political reporting duties assigned to the chief of mission.

Fourth. A complete review should be made of the functions performed by the various attachés, because the work done by these individuals, in many instances, amounts to duplication. In this regard, most of our agricultural attaché missions could be abolished and the work handled by the Economic-commercial sections of the embassies.

Fifth. The establishment of a commercial attaché mission should not be permitted, notwithstanding the alleged justification that this will result in an increase of our exports. The creation of another foreign bureaucracy is not the means that should be used to increase our balance of trade, which is already favorable.

Sixth. The military service attaché functions should be closely scrutinized. Notwithstanding the implementation of pooling arrangements among the military services, little if any savings have been effected, and for this there appears to be neither rhyme nor reason.

My recommendations that deal with our Military Assistance Advisory Groups are as follows:

First. The MAAG's assigned to the countries of Western Europe should be withdrawn immediately, and those assigned to other countries, where needed, should be restricted to technicians.

Second. Since much harm and misunderstanding result from the presence of American uniformed personnel in many of the underdeveloped countries, it is recommended that MAAG personnel be required to wear civilian garb.

Mr. President, I did not indulge in too many details, but I am hopeful that Members of Congress will take time out for a study of the data that I have attached to my country by country reports. I do believe that the subject matter is of great importance. In my humble judgment, unless steps are taken immediately to bring some form of sanity to our foreign aid operations, then the economic pillars upon which this great democracy rest will come crashing about us.

Mr. President, I repeat, I do hope that Senators and Congressmen, as well as representatives of the executive department will study my recommendations carefully and move to their adoption for the sake, not only of our country today, but for our grandchildren, and their grandchildren, in fact for the millions of Americans as yet unborn, who deserve the opportunity to live and harvest the fruits of freedom, as have we, in the greatest nation in the world.

Mr. McGEE. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. McGEE. I wish to commend the senior Senator from Louisiana for the detailed care that has gone into the compilation of his report. This has become the kind of performance the Senate looks forward to every year. The Senator from Louisiana is totally unselfish with his time, and seems to have an unbelievable drive and energy for digging out these details. I am sure that this very extended report will become a mine of information for all Members of the Senate, as preceding reports have become.

I wish particularly to commend the Senator for his suggestion that perhaps the wrong profile of America has been getting out around the world, and his recommendation that we have an unlimited exchange of persons. It seems to me that one of the things which are obvious to people everywhere is that the Soviets have censorship, and have an Iron Curtain, because they are afraid of a comparison and a contrast, and what the reaction among their people might be. Our basic strength has been the kind of life that we have developed, with a give and take, with differences of opinion, and with the pursuit of truth in the public marketplace of ideas.

However, we ought to be confident in showing this off more freely than we have. I hope that we will make every effort to undertake such programs, and get the visitors out of New York and Washington and get them into Louisiana and Montana and Rhode Island—

Mr. ELLENDER. And Wyoming.

Mr. McGEE. And Wyoming. That includes the State of Kansas also, which is so ably represented by the Senator from Kansas [Mr. SCHOEPPEL], who is in the Chamber. Furthermore, I believe that one of the tragedies at the present time is that while we have made it clear to the world what it is that we are against, one of the best kept secrets of the last 10 years is what it is America is for. I think many of the suggestions which the Senator from Louisiana has contributed to the Senate today will help us to sharpen and to formulate a more constructive image of America overseas. Again, I commend the Senator from Louisiana.

Mr. ELLENDER. I thank the distinguished Senator from Wyoming.

Mr. SCHOEPPEL. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. SCHOEPPEL. Mr. President, I have been privileged this afternoon to listen to the report given by the distinguished Senator from Louisiana. I know that on a number of other occasions when the Senator from Louisiana has made his reports to the Senate there have been many who, in one manner or another, have frowned upon the findings or the suggestions made by the Senator.

It has not been my privilege to travel to many places in the world; but through my acquaintanceship with persons who have been privileged to travel on official

missions, or otherwise, I know that many of the details which the Senator from Louisiana has reported have been confirmed on many occasions.

I think it is about time that we seek to interest people to take these reports under active consideration and, in one way or another, to do something about them. The statement made by the distinguished Senator from Wyoming [Mr. McGEE] are indeed well deserved. I hope the report, large as it may seem, will not appear forbidding to those who examine it and see the careful detail with which the Senator has prepared it.

I for one commend the Senator from Louisiana for his detailed reports—not only this one, but also the others he has made—because I have found them to be most interesting and profitable in my own investigations on many occasions.

Mr. ELLENDER. I thank the distinguished Senator from Kansas.

Mr. MANSFIELD. Mr. President, will the Senator from Louisiana yield?

Mr. ELLENDER. I yield.

Mr. MANSFIELD. I commend the Senator from Louisiana for making, once again, a report on the results of his travels overseas. In my opinion, no one works more seriously at the job of looking after the Nation's foreign affairs, as a member of the Committee on Appropriations, than does the distinguished senior Senator from Louisiana.

I assure him that I did not know he intended to make his report today until I returned to the States last night. I have not had a chance to examine the report, but the Senator may be certain that, as always, I shall read with great interest what he has said. I also express to him my appreciation for the time and energy he has expended in compiling the report.

Mr. ELLENDER. I thank the distinguished Senator from Montana.

Mr. McGEE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. CARLSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

NATIONAL FUEL POLICY

Mr. CARLSON. Mr. President, the Kansas Oil Men's Association, at its annual meeting at Wichita on Monday, January 23, 1961, adopted certain resolutions regarding national fuel policy, gasoline taxes, percentage depletion, a limitation on proposals in Congress in regard to the distribution of products which are sold by oil jobbers, and a divorcement of segments of integrated oil companies from other segments of the said oil companies.

Mr. President, I ask unanimous consent that the resolutions be made a part of my remarks and referred to the appropriate committee.

There being no objection, the resolutions were referred to the Committee

on Interior and Insular Affairs, and were ordered to be printed in the RECORD, as follows:

RESOLUTIONS ADOPTED BY KANSAS OIL MEN'S ASSOCIATION, JANUARY 23, 1961

RESOLUTION 1: NATIONAL FUEL POLICY

Whereas the coal industry, by legislative means, is attempting to dictate fuels usage by areas regardless of the public's desires or demands; and

Whereas this activity would in effect give the coal industry governmental protection against the rigors of competition; and

Whereas the present fuels policy, based on individual freedom of choice in selecting fuels to be used for whatever purpose desired, has proven to be most efficient and logical; therefore be it

Resolved by the Kansas Oil Men's Association in convention here assembled, That we oppose all attempts by Government agencies to regulate the usage or selection of fuels by geographical areas; and be it further

Resolved, That all fuels be permitted to compete for markets on the basis of free enterprise; and be it further

Resolved, That copies of this resolution shall be sent to the Kansas congressional delegation in Washington, D.C.

RESOLUTION 2: GASOLINE TAXES

Whereas the present combined Federal 4-cent and State 5-cent gasoline tax in Kansas amounts to 9 cents per gallon, the equivalent of a 43-percent sales tax; and

Whereas the Congress of the United States, by law, has agreed to the expiration of the 1-cent Federal temporary gasoline tax. This tax increase went into effect October 1, 1959, and is due to expire on June 30, 1961; and

Whereas efforts may be made upon recommendations by the Eisenhower administration to not only continue the 1-cent temporary Federal tax, but also to increase the tax by another one-half cent per gallon; and

Whereas the Federal Aid Highway Act of 1959 provides that, upon the expiration of the 1-cent Federal temporary gasoline tax, additional funds will be obtained for the highway trust fund by the dedication of one-half of the 10-percent Federal excise tax on the sale of new cars and five-eighths of the Federal excise tax on automobile parts and accessories; and

Whereas an adequate highway program can be maintained without further increase in Federal or State gasoline taxes: Now, therefore, be it

Resolved by the Kansas Oil Men's Association in convention here assembled, That the U.S. Congress be strongly urged to keep its promise and permit the 1-cent Federal temporary gasoline tax to expire on June 30, 1961; and be it further

Resolved, That every effort be made to refrain from increasing taxes on gasoline; and be it further

Resolved, That all automotive taxes collected by the Federal Government be earmarked for the highway trust fund; and that copies of this resolution be sent to the Kansas congressional delegation in Washington, D.C.

RESOLUTION 4: PERCENTAGE DEPLETION

Whereas an adequate supply of oil and continuous oil exploration is essential to the national welfare and defense; and

Whereas Congress in 1926, recognizing the need for an incentive for oil exploration, enacted a provision for percentage depletion, allowing 27½ percent of gross income from an oil well as a tax deduction, limited in any one year to 50 percent of the taxable income from the well; and

Whereas attempts are being made to reduce this rate which, if carried out, would sharply reduce drilling activities; and

Whereas less drilling activity would soon cause shortages of domestic supplies, bringing about higher prices for gasoline and oil products, contributing to inflation, and accelerating the trend toward smaller cars, resulting in less tax revenue: Therefore be it

Resolved by the Kansas Oil Men's Association in convention here assembled, That we strongly oppose any effort to reduce, eliminate, or otherwise tamper with present percentage depletion for oil and natural gas; and be it further

Resolved, That copies of this resolution shall be sent to the Kansas congressional delegation in Washington, D.C.

RESOLUTION 8: T.B.A. LIMITATIONS

Whereas there have been various proposals in the Congress of the United States to bar petroleum jobbers and other wholesale distributors of petroleum products from dealing in tires, batteries, and accessories; and

Whereas any such legislation would constitute a serious infringement on the principles of competitive free enterprise; and

Whereas this restrictive legislation would, without cause, deprive jobbers and other wholesalers of a legitimate source of income essential to their continued operations; and

Whereas existing laws have proved entirely adequate to rule out such admittedly undesirable practices as would tend unduly to restrict trade or in any way promote monopoly in this area of sales: Therefore be it

Resolved by the Kansas Oil Men's Association in convention here assembled, That we actively oppose enactment of these proposed measures; and be it further

Resolved, That a copy of this resolution, properly endorsed, be transmitted to Hon. JAMES ROOSEVELT, chairman of the Subcommittee on Petroleum Distribution Practices, House Office Building, Washington, D.C., as an expression of the will of this assembly.

RESOLUTION 10: DIVORCEMENT

Whereas recurrent proposals have been and are being made to divorce one or another segment of integrated oil companies from some or all other segments of said companies; and

Whereas any such artificial divorcement would seriously impair the national welfare by depriving the public of the results of economies achieved through proper integration; and

Whereas this divorcement would unduly restrict the natural development of the petroleum industry in accord with the basic principles of free enterprise, thereby endangering the dynamic growth of a domestic industry essential to the national security; and

Whereas such divorcement would place arbitrary, unwarranted limits on the opportunity of all within the petroleum industry, jobbers included, to expand their business to the full extent of their capabilities: Therefore be it

Resolved by the Kansas Oil Men's Association in convention here assembled, That we firmly oppose any and all moves to impose any measure of divorcement on the petroleum industry; and be it further

Resolved, That copies of this resolution shall be sent to the Kansas congressional delegation in Washington, D.C.

Mr. CARLSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. HARTKE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. PELL in the chair). Without objection, it is so ordered.

UNEMPLOYMENT CONDITIONS

Mr. HARTKE. Mr. President, last week I had the opportunity to make a trip with the distinguished Secretary of Labor, Mr. Arthur Goldberg. We left Washington, to view the situation in regard to unemployment.

I think this much can be said: In the first place, the concern of the President about the existing unemployment is certainly commendable. The fact that he sent Secretary of Labor Goldberg on that particular mission, to see at firsthand the opportunities in which this administration can be of help to those who are unemployed, also demonstrates the depth of the thought by those in the administration about this situation.

For some time my own opinion has been that the unemployment problem in the United States is one of our greatest concerns. We know we have the problem of the fight with the Communist world. Anyone who is familiar with history knows that the height of Communist power in the United States was during the depth of the depression; we know that the Communist-led march on Washington, during the depression, was occasioned only by poverty and by unemployment. We also know that the international Communists call for unemployment today; we know that they feed on unemployment and on poverty and on despair and distress.

Now we see unemployment in the United States again rise to more than 5 million people. I think we need only look at history, and realize that in December 1930, after the great depression was over a year old, there were only approximately 4 million unemployed persons in our country. We know that since that time the labor force has increased; but 4 million people out of work are still 4 million individuals, not merely a statistic in connection with the labor force.

By March 1931 the 4 million unemployed of December 1930 had increased to 8 million. I hope nothing of that sort occurs again. But in December 1960 4 million of our people were out of work; and in January 1961 over 5 million of our people were out of work.

The economists tell us that they do not believe we have yet reached the bottom of the present recession. No indicator visible at the moment would show that we have yet reached the bottom of the recession. In fact, every indication, even including those which come to us today, is that times will get worse before they get better. Everyone in the administration, including the President, has tried to emphasize this fact, even though this situation was created by the preceding administration, not the present administration.

I think each one of us should give very deep consideration to whether a partisan or a nonpartisan approach should be taken to these matters. Secretary Goldberg stated, in the course of his trip in the Midwest, that we have a bipartisan

foreign policy and that he hoped these problems at home would be met on a bipartisan basis.

On the trip, we went first to Chicago.

I may say, in lighter vein, that when we left Washington the Secretary's coat disappeared, so he had at least the same exposure to the elements that is experienced by many of those who suffer from unemployment. He had to go coatless; and he had to arrange to have one of his relatives take care of him—by having his daughter bring to him a coat from his brother-in-law, in Chicago. However, the coat which was brought to him was designed for a person of rather portly size, whereas the Secretary of Labor is not of that build. So the coat which was brought to him fitted him about one and a half times around.

In Chicago we talked to some of those who are unemployed—as I have done during the field trips I have made for the Senate.

I think it appropriate to call attention to the fact that in the closing days of the first session of the last Congress, the majority leader of the Senate, the Honorable LYNDON JOHNSON, now Vice President of the United States, requested the creation of a special Senate committee to look into the question of unemployment problems. That committee was then created, and in serving on it, we conducted many field hearings. I personally made more field trips, I suppose, than did any of the other members of the committee. For instance, I had a chance to visit sections of the coal-mining area in which there is widespread unemployment, and at that time I had an opportunity to listen to the statements made by unemployed miners. One of them said he was looking for work, but that when he asked for a job, he would be asked, "What can you do?"

He would reply, "I can mine coal."

The reply to him would be, "We don't need a coal miner."

That was the extent of his opportunity to obtain employment. He had no opportunity to obtain retraining; he had no opportunity to be used in society.

Last year I told the Senate about a man in Pikeville, Ky., and I think to tell of his situation demonstrates better than anything else I could say the plight of a coal miner in that area who today is out of work. This story was told by the editor of the newspaper in Pikeville, Ky.: A coal miner who was out of work left his home and traveled about, in an effort to find work. He was gone for more than 2 years—visiting every region in the Ohio Valley that he could reach. He had a wife and a number of children, and he was terribly distressed because they lacked food and because he was unable to provide them with some of the necessities of life, including food. Of course, he was not able to provide them with any of the luxuries which some of us in America enjoy. He was also greatly distressed because of the fact that he could not send his children to school.

After seeking employment for more than 2 years, he finally returned to his

home—in December 1958—and wrote to his wife a note in which he said he could no longer stand seeing the despair of his wife and his children, and that he did not have anything to look forward to as Christmas approached, and that he was going to give them the best Christmas he knew how—that in the event of his death, they could have a better living on social security. So he took a shotgun and killed himself.

Some may say that such cases are the exception, not the rule; but, even so, I may point out that on our recent trip, when we reached Chicago, I heard what was said by the father of six children. I talked to him when he was standing in the unemployment line. Before the Secretary of Labor reached him, I asked him, "How do you get by?"

He just shrugged his shoulders.

Then I asked him, "How do you manage?"

He said, "I try to manage as best I can."

I said to him, "I suppose your wife is irritated by your inability to find work."

He said, "Oh, no. I have a fine wife. If I didn't, it would be unbearable."

I asked him, "How do your children get along?"

He replied, "The best they can."

He had been trying to get along with unemployment compensation and supplemental benefits, but those had been reduced to less than 50 percent of what they had been before.

Certainly that man was trying to do the best he could, in spite of everything else. He said what we hear repeated thousands of times by those who are in the unemployed lines: "I don't want benefits or food or charity. All I want is a job." But these people, through no fault of their own, are denied the right to work.

Again and again those who are unemployed complain to us about the money our Government sends to starving peoples overseas. They say, "Why doesn't our country keep that money here? We need it."

So, Mr. President, you can understand the opposition to some of our foreign-aid programs, and you can understand why it is hard for some of us in the Congress to see our Government really turn its back on the people here at home who need help.

Then we hear them asking, "What are they doing about automation?" What are they doing about plants that are modernizing and taking our jobs away? What are they doing about competition? People come into this country from overseas and take jobs away from Americans in the steel mills. Foreign countries are shipping into this country toys, bicycles, and automobiles."

All of these happenings are raising in the minds of those people a feeling of resentment toward our own people and our own Government, because we are doing things which they do not understand or which could, perhaps, in some way, be of benefit to them.

When surplus food is mentioned, they act as if it were almost a laugh, because the amounts and quality are not enough

to keep them even alive, let alone to consider it a great act on the part of our country, which produces more food than we can use.

The fact of the matter is, I suppose, that unemployed people have a right to ask of those of us who are in government whether we take seriously the words uttered by Jesus, as quoted in the Bible, when he said it is a duty not alone of government, but of man to his fellow man, to do unto others as they would have done unto them.

I wonder how many of us, if we changed places with those people, would think this is what the richest country in the world should do for its people. Yet I know people in government are making desperate efforts to find answers to these questions, which would in some way explain what is being done and what is attempted to be done.

It is not enough to try to sell democracy, or a high standard of living, or freedom, because there is nothing which will destroy a man's desire for those things more than an empty stomach. I remember reading Schlesingers' description of the new era of life which was ushered in during the great depression, of hearing hungry babies cry, of mothers telling stories that their children could not eat decent or full meals, even if they had the opportunity to do so, because their stomachs had shrunk so much.

I remember we went into Gary and South Bend, Ind. These two cities were just recently put in the category of having over 9 percent of their working force unemployed. Gary and Lake County, Ind., were responsible for 20 percent of the steel production of this country. Yet, since the steel strike, we have not seen the steel mills operate at full capacity. Steel production has been going down and down.

I have in my hand today's Wall Street Journal. I read from some of the headlines which I find on only a cursory examination:

"Six Thousand Workers Were Laid Off Work During the Weekend." "Ford Abandons a Plant." Most of the sources blame a slowdown in business for their action. The Ford Motor Co. closed its Chester, Pa., assembly plant and put its property up for sale. About 1,500 persons are employed there.

The Plankinton Packing Co., a division of Swift & Co., plans to permanently close its Milwaukee meatpacking plant by early next year. About 900 employees will be affected.

Another Milwaukee firm, International Harvester Co., will discontinue forge operations, affecting about 160 of the plant's 2,800 workers.

Briggs & Stratton Corp. will close one of its three Milwaukee plants for 1 week starting today, laying off 1,800 workers.

A. O. Smith Corp. laid off 300 more employees in its automotive frame production operations in Milwaukee and plans to shut an auto frame plant in Granite City, Ill.

Kaiser Aluminum & Chemical Co. laid off 135 persons as it closed a potline at Mead, Wash.

These and other indications are that we have not reached the end of what are serious times for many people.

Before Secretary Goldberg went on his trip, I said to him, "I wish to goodness people in Washington could come out of

their ivory palaces and see the people as they are living, and go over the country and view these 5 million people and see what it means, because these are human beings." These are people with families, who have a right to expect an opportunity to work, because this was guaranteed to them by the Full Employment Act of 1956, which designated it as the national policy.

The President himself has sent messages to Congress as to what should be done. I personally think we should do more, and do it now. I think the time to do it has long passed. As we all know, once a plant closes down, it is more difficult to get it going than it is to keep it operating in the meantime.

I think that one of the first things we could do is provide tax relief, so those who are working will increase their purchasing power.

I have introduced a measure which would increase from \$600 to \$1,000 the exemption for each dependent. It should put \$200 million into the hands of those who are working. This money would go to the people who have families and children to support. The money would go to buy groceries and clothes, pay rent, pay the man for the goods in his little store down the street, and help to keep small businesses from going to the wall. It used to be only the small businesses that were yelling. Now even the larger ones are yelling. This measure would help all along the line, as far as people are concerned.

I believe we could accelerate the highway program of the United States. There are 41,000 miles of roadway which have been authorized by Congress. If we removed the amendment which prohibits the original purpose of the act itself, the plans are already in being, and we could start pouring the concrete and using the machinery. This activity would accelerate demand for additional plant operation, and additional people would go to work.

I think we could accelerate flood control and other authorized projects for the Army engineers, which projects could be undertaken without great hesitation.

These things could be given to the people at a time when they need it. In each case, it would be an investment in the future of America and would not, in any way, be something which would be lost.

We must remember that all these measures are only temporary operations to meet immediate situations; but if there was ever a challenge to this Nation, it is the challenge of determining whether or not it is going to be faithful and true to its own people, whether it is really going to feed the hungry and clothe the naked.

These are high ideals for a nation, and high ideals for a government. If the Government is not willing to put into practical operation the means by which these ideals can be attained, then a lot of people are going to lose faith in the ideals themselves.

I think this is a real challenge. I would hope that those of us who are in Congress could really get down to the

Government's business, which is to look out for the future of its own citizens.

I suppose the rest of the world, in some way, and to some extent, is going to judge our real intentions to those overseas by how we treat ourselves, whether we are going to create a pool of so-called untouchables who are going to get only crumbs that are under the table, or whether we are going to give them an opportunity to have the full life and to have those things which a free society can best give them.

I again commend the Secretary for taking this step of dramatizing at least to parts of the Nation the seriousness of our situation.

I commend the President for the action he has taken in proposing programs to Congress to alleviate this problem. I, for myself, will try to do what I can to help him.

ANNIVERSARY OF THE DEATH OF ALOYSIUS CARDINAL STEPINAC

Mr. LAUSCHE. Mr. President, February 10 marked the passing of 1 year since the death of Cardinal Stepinac of Croatia.

This man, in World War II, in the face of the Nazis and Communists, conducted himself in an heroic manner of intensity and richness which brought to him the admiration and respect of the people of the world.

He was born on May 8, 1898, in Krasic, a village approximately 40 miles from Zagreb, the capital of Croatia. He was the son of a pious peasant family. In his youth, living with his family and under the influence of his parents, he developed a character respecting individuality and human beings. From that humble life and background he rose to priesthood, and subsequently to be an archbishop. Finally he became a cardinal of the Catholic Church.

When the Nazis occupied his native land of Croatia, he protested against their abuses and spoke in behalf of the people who were exploited and oppressed. When the Nazis were driven out and the Communists took charge, he continued to speak the voice of a person who held all human beings in high respect.

While Tito was in charge, he found discomfort in the arguments which were made by Cardinal Stepinac and charged him with misconduct, with violating the laws of Yugoslavia, especially because of speaking in a manner which would weaken communism in the land of Yugoslavia.

He was brought to trial. It was a sham trial. He was accused of the violations of the laws of the Communist country, but, instead of being the accused, while the trial was going on he became the accuser. While the people's court was being conducted, Cardinal Stepinac, not knowing whether he was to be sentenced to death, to be imprisoned for life, or to be imprisoned for a shorter term, turned his pointer to those who accused him and proceeded to tell why he spoke up as an individual against

the Communists who were in charge of his country. He told them about the destruction of the church, about the incultation of atheism. He told them about the suppression of the newspapers, about the suppression of the right to free speech. He told them that they had sham courts for trying of individuals.

No person of whom I know, except perhaps Socrates, had the courage to stand up to face his accusers and, in effect, to say to them, "Do not accuse me, but accuse yourselves, because you are guilty of a violation of all the rights of man."

It is simply astounding to visualize the courage of this person. He spoke back to the tryers of his cause. He spoke to his accusers and, in effect, he invited them to sentence him to death.

On October 11, 1946, he was sentenced to imprisonment for 16 years. He died on February 10, 1960. As I said a moment ago, February 10 marked the passing of 1 year since he went away.

He was a hero. He believed in the truth. It is my belief that Cardinal Stepanic found the greatest joy in life in being able to declare what he believed ought to be done.

There are philosophers who argue what the true meaning of liberty is. Some of them argue that liberty exists with that man who has the ability to speak up and to demand that those things be done which his morality has taught him to be right. That is what Cardinal Stepanic did in the trial.

For 14 years he was either in prison or under house arrest. When he was made a cardinal it was thought that he would go to the Vatican, and it was suggested that he go to the Vatican and leave his prison. In effect he stated, "So long as my Croatian people are in prison, I shall remain with them." He never did leave Croatia. He never did go to the Vatican.

I wish to read one of his statements:

For my convictions I am able to bear not only ridicule, hatred, humiliation, imprisonment—but because my conscience is clear, I am ready at any moment to die.

No person of whom we have heard since the intense movement of the Communists has had the courage to stand up the way this man did. He was a scholar. He was a religious person. He was an individual of character the like of which we would wish to find in more human beings than we do.

Mr. President, I gladly rise on the Senate floor today to pay my tribute to this man, and to express the view that as time passes on and the days of his life recede into the past the beauty and the richness of his life will grow ever more luminous.

ADJOURNMENT UNTIL THURSDAY

Mr. HARTKE. Mr. President, I move that the Senate stand in adjournment until Thursday at noon.

The motion was agreed to; and (at 4 o'clock and 29 minutes p.m.) the Senate adjourned until Thursday, February 16, 1961, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate February 13, 1961:

IN THE ARMY

The following-named officer to be placed on the retired list in the grade indicated under the provisions of title 10, United States Code, section 3962:

To be general

Gen. Isaac Davis White, O15080, Army of the United States (major general, U.S. Army).

The following-named officers under the provisions of title 10, United States Code, section 3066, to be assigned to positions of importance and responsibility designated by the President under subsection (a) of section 3066, in rank as follows:

Lt. Gen. James Francis Collins, O16819, Army of the United States (major general, U.S. Army), in the rank of general.

Maj. Gen. Russell Lowell Vittrup, O17681, U.S. Army, in the rank of lieutenant general.

The following-named persons to the positions indicated:

DEPARTMENT OF THE NAVY

Paul Burgess Fay, Jr., of California, to be Under Secretary of the Navy.

FEDERAL AVIATION AGENCY

Najeeb E. Halaby, of California, to be Administrator of the Federal Aviation Agency.

DEPARTMENT OF STATE

Harlan Cleveland, of New York, to be an Assistant Secretary of State.

Brooks Hays, of Arkansas, to be an Assistant Secretary of State.

DIPLOMATIC AND FOREIGN SERVICE

Livingston T. Merchant, of the District of Columbia, a Foreign Service officer of the class of career ambassador, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Canada.

DEPARTMENT OF THE ARMY

Stephen Alles, of Maryland, to be Under Secretary of the Army.

The following-named persons to the offices indicated:

DEPARTMENT OF AGRICULTURE

Frank J. Welch, of Kentucky, to be an Assistant Secretary of Agriculture.

DEPARTMENT OF COMMERCE

Rowland Burnstan, of Illinois, to be an Assistant Secretary of Commerce.

Robert E. Giles, of North Carolina, to be General Counsel of the Department of Commerce.

CONFIRMATIONS

Executive nominations confirmed by the Senate February 13, 1961:

UNITED NATIONS

Charles W. Yost, of New York, to be a deputy representative of the United States of America in the Security Council of the United Nations.

DEPARTMENT OF STATE

George C. McGhee, of Texas, to be Counselor of the Department of State.

DEPARTMENT OF DEFENSE

Carlisle Piehl Runge, of Wisconsin, to be Assistant Secretary of Defense, vice Charles C. Finucane, resigned.

FEDERAL COMMUNICATIONS COMMISSION

Newton N. Minow, of Illinois, to be a member of the Federal Communications Commission for the unexpired term of 7 years from July 1, 1954.

Newton N. Minow, of Illinois, to be a member of the Federal Communications Commission for a term of 7 years from July 1, 1961.

DISTRICT OF COLUMBIA REDEVELOPMENT LAND AGENCY

Pursuant to the provisions of section 4(a) of Public Law 592, 79th Congress, approved August 2, 1946, we, the Commissioners of the District of Columbia appoint the following-named person to the office indicated:

Neville Miller, of the District of Columbia, to be a member of the District of Columbia Redevelopment Land Agency, to fill the unexpired term of James E. Colliflower, resigned, whose term expires March 3, 1961.

DEPARTMENT OF COMMERCE

Rowland Burnstan, of Illinois, to be an Assistant Secretary of Commerce.

HOUSE OF REPRESENTATIVES

MONDAY, FEBRUARY 13, 1961

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

I Samuel 23: 3: He that ruleth over men must be just, ruling in the fear of God.

O Thou God who wert the God of our fathers, we thank Thee for days in the calendar and annals of our national history when we are privileged to call to mind the names and record of men and women whose life and character embodied and enshrined our country's noblest traditions and loftiest ideals.

On the 12th day of this month we pause to pay tribute to the memory of Abraham Lincoln, that great American patriot, who stood like a giant among his contemporaries and whose heroic service has made an indelible impression upon all succeeding generations.

Grant that his supreme passion for the preservation of the Union may also inspire us with a longing to enlist in the crusade to preserve and promote the union of God-fearing men and nations in their search for freedom and peace for all mankind.

Hear us in the name of the Prince of Peace. Amen.

THE JOURNAL

The Journal of the proceedings of Thursday, February 9, 1961, was read and approved.

MEMBERS OF COMMITTEES

Mr. HOEVEN. Mr. Speaker, I offer a privileged resolution and ask for its immediate consideration.

The Clerk read as follows:

H. RES. 160

Resolved, That the following-named Members be, and they are hereby, elected members of the following standing committees of the House of Representatives:

Committee on Agriculture: Charles B. Hoeven, Iowa; Paul B. Dague, Pennsylvania; Page Belcher, Oklahoma; Clifford G. McIntire, Maine; Charles M. Teague, California; Albert H. Quile, Minnesota; Don L. Short, North Dakota; Catherine May, Washington; Delbert L. Latta, Ohio; Ralph Harvey, Indiana;

Paul Findley, Illinois; Robert Dole, Kansas; Ralph F. Beermann, Nebraska; Ben Reifel, South Dakota.

Committee on Appropriations: William H. Milliken, Jr., Pennsylvania; Earl Wilson, Indiana.

Committee on Armed Services: Leslie C. Arends, Illinois; Leon H. Gavin, Pennsylvania; Walter Norblad, Oregon; James E. Van Zandt, Pennsylvania; William H. Bates, Massachusetts; Alvin E. O'Konski, Wisconsin; William G. Bray, Indiana; Bob Wilson, California; Frank C. Osmer, Jr., New Jersey; Charles S. Gubser, California; Frank J. Becker, New York; Charles E. Chamberlain, Michigan; Alexander Pirnie, New York; Durward G. Hall, Missouri; Donald D. Clancy, Ohio; Robert T. Stafford, Vermont.

Committee on Banking and Currency: Clarence E. Kilburn, New York; Gordon L. McDonough, California; William B. Widnall, New Jersey; Eugene Siler, Kentucky; Paul A. Fino, New York; Florence P. Dwyer, New Jersey; Edward J. Derwinski, Illinois; Seymour Halpern, New York; James Harvey, Michigan; Tom V. Moorehead, Ohio; John H. Rousselot, California; William W. Scranton, Pennsylvania.

Committee on District of Columbia: James C. Auchincloss, New Jersey; Carroll D. Kearns, Pennsylvania; Joel T. Broyhill, Virginia; William L. Springer, Illinois; Ancher Nelsen, Minnesota; Alvin E. O'Konski, Wisconsin; Jessica McC. Weis, New York; William H. Harsha, Jr., Ohio; Charles McC. Mathias, Jr., Maryland.

Committee on Education and Labor: Carroll D. Kearns, Pennsylvania; Clare E. Hoffman, Michigan; Peter Frelinghuysen, Jr., New Jersey; William H. Ayres, Ohio; Robert P. Griffin, Michigan; Edgar W. Hiestand, California; Albert H. Quile, Minnesota; Charles E. Goodell, New York; Peter A. Garland, Maine; Donald C. Bruce, Indiana; John M. Ashbrook, Ohio; Dave Martin, Nebraska.

Committee on Foreign Affairs: Robert B. Chipperfield, Illinois; Frances P. Bolton, Ohio; Chester E. Merrow, New Hampshire; Walter H. Judd, Minnesota; Marguerite Stitt Church, Illinois; E. Ross Adair, Indiana; Laurence Curtis, Massachusetts; William S. Mailliard, California; Peter Frelinghuysen, Jr., New Jersey; William S. Broomfield, Michigan; Robert R. Barry, New York; J. Irving Whalley, Pennsylvania; Horace Seely-Brown, Jr., Connecticut.

Committee on Government Operations: Clare E. Hoffman, Michigan; R. Walter Riehlman, New York; George Meader, Michigan; Clarence J. Brown, Ohio; Florence P. Dwyer, New Jersey; Robert P. Griffin, Michigan; George M. Wallhauser, New Jersey; Odin Langen, Minnesota; John B. Anderson, Illinois; Richard S. Schweiker, Pennsylvania; F. Bradford Morse, Massachusetts.

Committee on House Administration: Paul F. Schenck, Ohio; Robert J. Corbett, Pennsylvania; John B. Bennett, Michigan; Glenard P. Lipscomb, California; Charles E. Chamberlain, Michigan; Charles E. Goodell, New York; John Kyl, Iowa; Edgar W. Hiestand, California; John B. Anderson, Illinois; Walter L. McVey, Kansas.

Committee on Interior and Insular Affairs: John P. Saylor, Pennsylvania; J. Ernest Wharton, New York; E. Y. Berry, South Dakota; Jack Westland, Washington; Craig Hosmer, California; J. Edgar Chenoweth, Colorado; Glenn Cunningham, Nebraska; Odin Langen, Minnesota; John Kyl, Iowa; William H. Harrison, Wyoming; Edwin R. Durno, Oregon; Peter H. Dominick, Colorado; Hjalmar C. Nygaard, North Dakota.

Committee on Interstate and Foreign Commerce: John B. Bennett, Michigan; William L. Springer, Illinois; Paul F. Schenck, Ohio; J. Arthur Younger, California; William H. Avery, Kansas; Harold R. Collier, Illinois; Milton W. Glenn, New Jersey; Samuel L. Devine, Ohio; Ancher Nelsen, Minnesota;

Hastings Keith, Massachusetts; Willard S. Curtin, Pennsylvania; Abner W. Sibal, Connecticut; Vernon W. Thomson, Wisconsin.

Committee on the Judiciary: William M. McCulloch, Ohio; William E. Miller, New York; Richard H. Poff, Virginia; William C. Cramer, Florida; Arch A. Moore, Jr., West Virginia; George Meader, Michigan; John V. Lindsay, New York; William T. Cahill, New Jersey; John H. Ray, New York; Garner E. Shriver, Kansas; Clark MacGregor, Minnesota; Charles McC. Mathias, Jr., Maryland; James F. Battin, Montana; James E. Brownell, Iowa.

Committee on Merchant Marine and Fisheries: Thor C. Tollefson, Washington; William K. Van Pelt, Wisconsin; John H. Ray, New York; William S. Mailliard, California; Thomas M. Pelly, Washington; H. R. Gross, Iowa; Milton W. Glenn, New Jersey; Gordon L. McDonough, California; Robert F. Ellsworth, Kansas; F. Bradford Morse, Massachusetts; George A. Goodling, Pennsylvania; Stanley R. Tupper, Maine.

Committee on Post Office and Civil Service: Robert J. Corbett, Pennsylvania; H. R. Gross, Iowa; Joel T. Broyhill, Virginia; August E. Johansen, Michigan; Glenn Cunningham, Nebraska; George M. Wallhauser, New Jersey; Robert R. Barry, New York; Katharine St. George, New York; John H. Rousselot, California.

Committee on Public Works: James C. Auchincloss, New Jersey; Gordon H. Scherer, Ohio; William C. Cramer, Florida; John F. Baldwin, Jr., California; Fred Schwengel, Iowa; Edwin B. Dooley, New York; Howard W. Robison, New York; Herman T. Schneebeli, Pennsylvania; Perkins Bass, New Hampshire; Walter L. McVey, Kansas; Carleton J. King, New York; William H. Harsha, Jr., Ohio; James Harvey, Michigan.

Committee on Rules: Katharine St. George, New York; H. Allen Smith, California; Elmer J. Hoffman, Illinois.

Committee on Science and Astronautics: Joseph W. Martin, Jr., Massachusetts; James G. Fulton, Pennsylvania; J. Edgar Chenoweth, Colorado; William K. Van Pelt, Wisconsin; Perkins Bass, New Hampshire; R. Walter Riehlman, New York; Jessica McC. Weis, New York; Charles A. Mosher, Ohio; Richard L. Roubush, Indiana; Alphonzo E. Bell, Jr., California.

Committee on Un-American Activities: Gordon H. Scherer, Ohio; August E. Johansen, Michigan; Donald C. Bruce, Indiana; Henry C. Schadeberg, Wisconsin.

Committee on Veterans' Affairs: William H. Ayres, Ohio; E. Ross Adair, Indiana; Paul A. Fino, New York; John P. Saylor, Pennsylvania; Charles M. Teague, California; Seymour Halpern, New York; James G. Fulton, Pennsylvania; William H. Harrison, Wyoming; Henry C. Schadeberg, Wisconsin; Robert F. Ellsworth, Kansas.

Committee on Ways and Means: Steven B. Derounian, New York.

The resolution was agreed to.

A motion to reconsider was laid on the table.

THE ONE-WAY STREET

Mr. DENT. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the Record.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. DENT. Mr. Speaker, and fellow Members of the U.S. Congress, today, with the help of many of my colleagues, I am starting a crusade, a crusade to really awaken the American people to

the deadly, serious dangers to our economy under the present method of dealing and trading with other nations.

To begin, let me make it clear that I personally, and I am sure most of my colleagues, believe in world trade when the trading is done in a businesslike and mutually beneficial manner.

For too long, too many of us have said too little. One of the reasons for this silence has been the fear of being called an isolationist, protectionist, or even worse—politically expedient.

The real trouble is that so many of us are so ignorant of the real workings of the trade agreements that we hide behind name calling, party labels, and political platforms.

The time has come and gone when we could afford the niceties of being real good boys and not bothering our heads about such matters that can be handled—so they have told us—by the super trained, career professionals and the political scientists. Our motto has been, "don't bother us with facts—our minds are made up."

If I can have 10 good conscientious men to join me week after week on this floor to give the facts of life to the American people, I have no doubt as to what will happen when the vote to renew the present Reciprocal Trades Act and the foreign aid bills come before the House.

This crusade is not aimed at stopping either aid or trade to and with our friends and world neighbors.

It is aimed at aiding and trading up to that perilous point where American jobs and American prosperity are endangered.

There is such a thing as a two-way street in trades agreements, but it seems that in the last decade we have been traveling only one way.

The one-way street we have been on has cost us millions of American jobs, billions of American taxes and business income while depleting our gold reserve to the point where the prince has become the pauper in the world market.

Never in our history have we had so much confusion and wild and unrelated action as we have had since the loss-of-gold panic started, strangely enough, right after the last election.

The outgoing President suddenly discovered the empty vaults at Fort Knox and started frantically calling on our friendly allies to please help us out, please stop calling our gold, please spend more money over here in America and above all—please don't sell us so much stuff, we cannot afford it any more.

Of course, we got the well-known horse laugh. We found out that our friends are playing for keeps. It is like lending money to a friend in a poker game—9 times out of 10 you will end up broke and he will not even pay back what you loaned him.

The next step was another wild shot in the dark. The President ordered the families of our soldiers back to the United States to save their allotment checks from becoming claims on our fast-disappearing gold reserve. Of course, the new President countermanded this order in short order. It was never meant

to be enforced anyway, it was only a prod to make our friends come to their senses and stop taking all of our gold away from us. It worked, too. Italy ordered its dealers to cut down on their gold transactions, Germany and England have hinted closer cooperation with more financial help for underdeveloped countries, thereby easing our commitments.

Now comes another suggestion that is just about as foolish as the first two—we are going to stop our tourists abroad from making purchases abroad. Now is this not silly? They do not have to buy abroad, they can buy all the foreign goods they want at any store on any main street in the United States.

Now what is the difference in buying your \$500 worth of foreign goods in Paris or buying it in New York?

Frankly, there is a whole lot of difference. If you spend \$500 in Paris, you get more goods for your money, but if you spend it in the United States for foreign goods, the foreign country gets more of your \$500.

It is as simple as that. Let me give you a little example: If you bought \$500 worth of cigarette lighters in Japan, you would get 2,000 lighters at 25 cents each. If you bought 2,000 lighters f.o.b. dockside, New York, you would have to pay 35 cents each, which would give the Japanese \$700 instead of \$500.

In plain words, the cure offered by the President's advisers is worse than the disease.

Now do not think the above example on lighters is farfetched. For the record, let me give you the latest figures up to 1959 on the lighter import reciprocal trade deal this Government of ours has worked out for the Members of Congress to claim credit for—if they want it.

In 1948, we imported into the United States 460,000 lighters from all countries. Out of this total we bought 3,000 from Japan and 231,000 from Switzerland. In 1959, we imported 46,581,000. Out of this total, we bought 41,792,000 from Japan and only 18,000 from Switzerland.

Here is another fact that ought to be helpful in considering the dangers in the present trades agreements.

In 1958 Japan sold us 20,213,000 lighters and in 1 year jumped over 100 percent, to 41,792,000 lighters.

You will note that the Swiss, who were selling lighters in this country on quality and not on cheap-wage low-priced articles, are also suffering from our misguided policies.

The Swiss are getting some of their own medicine because their exports to the United States have practically killed all watchmaking in the United States.

At this point I include some correspondence with the Zippo Lighter Co.:

JEANNETTE, PA., December 6, 1960.

THE PRESIDENT, ZIPPO LIGHTER CO.,
Bradford, Pa.

DEAR SIR: I have just received a Japanese-made lighter from a friend who obtained it as a premium with two packages of Chesterfield cigarettes for the total amount of \$1. For many years I have consistently used Zippo lighters, and after careful examination and comparison I am convinced the Japanese lighter is not a copy, but is really a Zippo lighter from the same dies.

The questions now rise: Is it made by Royallight in Japan; is it made under a licensing agreement, or, is it a plain case of copy manufacturing by a competitive nation?

Since I have been elected to the Congress of the United States I have supported all legislation and moves to try to stem the tide of consumer goods imports, and I am vitally interested in your reply as to just how this product fits into your competitive picture here at home.

Sincerely,

JOHN H. DENT,
Member of Congress.

ZIPPO MANUFACTURING CO.,

Bradford, Pa., December 16, 1960.

The Honorable JOHN H. DENT,
Jeannette, Pa.

DEAR MR. DENT: Your letter of December 6, addressed to our president, Mr. George Blaisdell, has been referred to my attention for acknowledgment and comment.

We appreciate your taking time from your busy schedule to write to us regarding the imitation Zippo purchased with two packages of Chesterfield cigarettes for the sum of \$1. It is surprising to note the number of people who write to us asking whether we also have a plant located in Japan due to the similarity between the lighters we manufacture and lighters produced in Japan.

I can assure you, Mr. DENT, that we have no connection with any manufacturing concern outside of the United States with the exception of a few flints purchased from a manufacturer in Austria and our small subsidiary assembly plant located in Niagara Falls, Ontario, Canada, nor have we made any licensing arrangement with other manufacturers.

It is strictly a case of foreigners, or in a few remote cases, American manufacturers, copying the Zippo lighter because of the fact that our original patents have expired.

The patent No. 2,517,191 which appears on all Zippo lighters presently being made applies only to a small hardened steel bushing located in the top of the brass flint tube. I am enclosing an advertising reprint which explains the function of this particular patent.

You will be interested in knowing that during the year 1959, 46 million lighters entered the United States, and I am taking the liberty of enclosing copies of these figures which were obtained from the Department of Commerce's report FT-110. This total, in excess of 46 million, is most startling and difficult to believe, especially when you consider the fact that this represents more than four times the number of cigarette lighters produced by all manufacturers of cigarette lighters located in the United States.

I also might mention that our chief domestic competitor, Ronson, has also been plagued by imitations of a number of their automatic lighters, and they have actually been more severely injured from a dollar standpoint than has Zippo.

On numerous occasions I have been in Washington and have talked with a number of people in Government regarding this matter; however, only recently with the passage of bill No. 10960 have we received any relief whatsoever.

I trust you are familiar with LEON H. GAVIN who is the Representative of the 23d District in which Bradford is located. He is quite well aware of our problem, and I am certain he is interested in doing anything in his power to obtain further relief for our industry.

Again, Mr. DENT, let me say how much we appreciate your writing to us, and I hope that one day I will have the opportunity and pleasure of meeting you personally.

Sincerely yours,

H. D. YATES,
Executive Vice President.

Lighters imported into the United States, 1948 through 1959

	1948	1949	1950	1951	1952	1953	1954	1955	1956	1957	1958	1959
Japan.....	3,000	31,000	350,000	610,000	10,209,000	9,134,000	6,742,000	8,627,000	19,608,000	25,092,000	20,213,000	41,792,000
West Germany.....	500	500	3,000	28,000	1,835,000	2,414,000	113,000	549,000	577,000	579,000	673,000	905,000
Austria.....	71,000	500	22,000	66,000	733,000	1,306,000	1,916,000	1,527,000	1,922,000	1,235,000	1,406,000	1,612,000
United Kingdom.....	10,000	-----	4,000	1,000	394,000	1,789,000	271,000	221,000	52,000	207,000	257,000	69,000
Switzerland.....	231,000	75,000	2,000	8,000	7,000	4,000	5,000	4,000	4,000	6,000	8,000	18,000
All other.....	145,000	20,000	80,000	16,000	87,000	105,000	58,000	109,000	160,000	567,000	1,468,000	2,186,000
Total.....	460,000	127,000	461,000	729,000	13,464,000	14,753,000	9,104,000	11,037,000	22,324,000	27,687,000	24,024,000	46,581,000

Total imported:

1948.....

460,000

1959.....

46,581,000

NOTE.—In 1959, all U.S. lighter manufacturers combined only produced a little over 9,000,000.

Let us look at the bicycle picture just to bring us up to date on our professional career and diplomatic handling of a problem.

Here is what happened recently before our Tariff Commission: American manufacturers of bicycles have been crying for relief under the escape clause of the Trade Act. They have shown with facts and figures their inability to compete with British, German, and other imported bicycles. They were given the usual negative treatment and the bicycle production in this country dropped almost out of existence.

Now comes the biggest giveaway in tariff history. Not too long ago Sweden started to unload bicycles into this country at prices below those of the English, German, Dutch, and others. These foreign manufacturers made a loud protest. The Tariff Commission issued an order calling upon the Treasury Department to increase the tariff on the Swedish bicycles so that the competition would be fair between the Swedes and all the others. Now, my friends, tell me honestly, is this the kind of government you want to administer trade deals? The American bicycles are still out in the cold. Who is this Tariff Commission working for anyway?

In this connection, however, let me give you a few victims of this kind of government. The aluminum workers in New Kensington, the steel tool manufacturers of Latrobe, the American Window Glass Co. of Jeannette and Arnold, the steel companies of Monessen, the flint glass works of Mount Pleasant and Grapeville, the coal mines of our county, the rubber producers at Jeannette, the toymakers and textile and clothing works of our area, all, each and every one, have protested the further lowering of tariffs, the further increase in quotas, and have not only petitioned, but in many cases practically begged for relief under the escape clause of the reciprocal trade agreements. What has happened? Nothing. Absolutely nothing, except to add insult to injury by decreasing the import duties, increasing the quotas and giving American business and American workers a lecture on communistic aggression.

The history of cases where American producers have petitioned for relief under the antidumping clause, OCDM, and the escape clause certainly shows the direction in which the winds have been blowing:

First. Dumping cases: From October 1954 to July 1960, 126 complaints from American industries have been received by Treasury Department over dumping

of foreign goods in United States. Of these Treasury turned down 112, sent remaining 14 to Tariff Commission for injury finding. Commission rejected 11 of these, approved 1 with 2 pending.

Second. Escape clause cases: From 1948 to July 1960, 90 applications from domestic industries were investigated by Tariff Commission which rejected 57 of these. Remaining 33 were forwarded to President who turned down 20, with 1 pending. Of 12 successful cases, 5 did not receive full duty relief recommended by Tariff Commission.

Third. National security cases: From 1955 to July 1960, 22 applications were made to OCDM. Of these, eight were withdrawn or postponed, seven denied, five pending and two approved, both of which were from one industry—oil products/crude oil.

Our competitors are strong in every field and only because we made them strong. The sporting goods field has increased marketwise up to as much as a 48 percent expansion in badminton sets sold here in the United States.

The trouble with this growth is that the Americans bought these sets, but 92 percent of all sets sold here were imported.

Baseball gloves imports jumped 130 percent from 557,000 to 1,200,000 or 40 percent of our entire market.

Tennis racket imports have climbed to over 55 percent of our entire market.

These are just examples of how silly and plain stupid it is for high Government officials to say that the answer to our economic woes is to increase our exports. We cannot hold our own here at home—how can we sell in their markets abroad?

Besides, how can anyone be serious, when in one breath they call for Americans to invest in production facilities abroad so that they can come within the economic and trade competition abroad while in the next breath they advise these same Americans to produce more goods here to sell against themselves in the foreign markets? You figure it out—I cannot.

I never did know which came first—the hen or the egg, but now I am puzzled whether the nuts keep the squirrel till spring or does the squirrel keep the nuts till winter.

We keep talking about trade balances and gold reserves and close our eyes to closed down factories, filled warehouses, and millions of unemployed.

I believe in distressed area legislation and I will support it again. I believe in social security, unemployment compensation, Government public works and all

of the other measures considered as necessary by the Democratic administration.

I sincerely believe all of these acts will help, but I believe just as sincerely that unless we reevaluate our policy and positions on foreign aid and foreign trade, we will not solve our growing problem of unemployment and industrial stagnation.

One thing I want to say at this time before closing this day's work in this all important field.

I am convinced now more than ever that one of the most serious aspects to our mistaken notion of foreign investments and American participation in foreign enterprise is the foolish concept of internationalism which scoffs at nationalism.

I have said on more than one occasion that one of the surest ways to lose friends is to lend them money and then brag about it.

As far back as I can remember, I have heard my elders talk about how the British were hated in Italy, Belgium, Turkey, and all over Europe simply because they were the absentee landlords of the domestic economy and were part of the exploitation which fed the people propaganda rather than payrolls.

We have taken the place of the British, and now it is "go home Yank." The only difference is that we cover more territory.

Recently, I read the following Canadian newspaper editorial:

IT WAS A STIGMA THEN

When British and other European investors held a majority interest in big U.S. enterprises, Americans regarded this foreign control as a stigma.

The story of the Illinois Central Railroad illustrates. It was told by George M. Growson, assistant to the president of the line.

Most of the money to build the Illinois had to be raised in London and other financial centers abroad.

It wasn't until 1901, when the company celebrated its 50th anniversary, that the president was able to announce the transfer of ownership to the United States. The Illinois Central, says Growson, then became "a truly home-ruled railroad * * * the stigma of foreign ownership was thus removed." The dictionary says that stigma means, among other things, disgrace, stain, mark of dishonor.

When Americans say it's only foolish nationalism that makes Canadians worry about foreign control of Canadian industries, they might remember their own feelings under similar—but never so severe—circumstances.

Maybe we ought to cut it out and send it to our policymakers who seem to be looking through the stained glass windows in their ivory towers instead of

through the cracked doors of the houses of the unemployed.

The funny thing to me is that if I buy a bottle of whiskey or a carton of cigarettes in another State and try to take it home to my State duty free, I can lose my car, pay a fine and go to jail.

We seem to have torn down the barriers for the Balkans and Balkanized the barrier here at home.

My State spends millions trying to entice industry to come into Pennsylvania so that we can create jobs and the business and professional man can have an income.

At the same time our glass plants, coal mines, ceramic, textile, rubber and steel plants are shutting down because our own State, Federal, and local governments and private enterprise buy foreign-made goods.

It has become so bad that our Governor, David L. Lawrence, protested plans of the U.S. Road Commission which called for the use of imported road materials, regardless of the costs to the State in employment, and so forth.

The following is a quote from the Pittsburgh Press:

IMPORTED HIGHWAYS

Governor Lawrence and other Pennsylvania officials continue to fight a proposed regulation of the U.S. Bureau of Public Roads which they say would result in diversion to foreign mills of roadbuilding materials now produced in this State.

The regulation would authorize States to accept highway construction bids listing materials of foreign origin if the prices of such materials is 6 percent or more below the prices of U.S. materials, and would require acceptance of such bids where the price is 12 percent below U.S. prices.

Secretary of Commerce Frederick H. Mueller, the Cabinet officer responsible for the Bureau of Roads, deferred the effective date of the regulation from March 1 to May 1, but unless it is further delayed or revoked, it will take effect after the end of this month.

Pennsylvania is attacking the order on both legal and economic grounds in the belief that it would adversely affect three of the State's most important basic industries—coal, steel, and cement, all used in large amounts in highway work in this and other States.

Whatever the considerations of reciprocal trade which prompted the Bureau of Roads regulation, there seems no doubt that Pennsylvania needs to retain all of the jobs it possibly can in these industries.

Governor Lawrence spelled it out. In the 11 years since 1948 through 1959, this State alone lost 131,000 jobs in coal mining (this being the period of rapid mechanization of the mines). In the 6 years from 1953 through 1959, we lost 32,000 jobs in the steel industry (this also being a period of further mechanization). And in 3 years from 1956 through 1959, we lost 800 jobs in the cement industry. The State is the leading producer of steel and cement, the second highest producer of coal.

Additionally, Mr. Lawrence pointed out that because of these and other employment losses, Pennsylvania had suffered longtime chronic unemployment, with 21 officially classified areas of substantial labor surplus, six of them major metropolitan areas. We have, in fact, more such labor surplus areas than any other State. Our rate of unemployment in February was 7.9 percent of the civilian labor force.

These may be dry statistics to some, but they are grim facts to those involved. We

can only hope that the Commerce Department considers all angles of its proposed regulation before taking final action.

We need more than a dollar volume analysis of our export-import balances. To get the truth of the danger to our economy, we must have the payroll, man-hour balances backed by the statistical date of the effect on the supplies of raw materials, component parts, transportation, sales agencies, Main Street, taxing authorities, professional services, and taking care of the unemployed.

We cannot continue building competitive enterprises abroad and hope to sell American products in competition abroad. We cannot finance our competition and then allow it to sell in our domestic market. You cannot sell \$100 worth of raw cotton and come out even. The payroll purchasing power of the producer of \$100 worth of cotton would not buy back the \$100 worth of finished goods. In plain words, you cannot buy retail and sell wholesale and stay in business.

The American high wage is necessary if we are to buy American-made goods, but it is not necessary if we are to buy foreign cheap labor goods. It is simple, but true, if an American steelworker buys a foreign car he cuts a few hours from his paycheck because that is one car less the automobile workers will need steel to build. This is true in every item in every market and in every country. You cannot buy when you have a surplus.

Frankly, how do you trade with a nation which allows you to ship into the country duty-free, but whose wage standards are too low to permit the purchase of your product in competition with their own production; but in return gets the privilege of shipping their low-cost item into your high standard market. The answer, of course, is that we are the nation losing the gold reserve from just such deals.

Some of our planners are convinced that the only solution is to make every nation in the world a mechanized production shop, producing everything under the sun as cheap as possible to sell to every nation in the world which is already in the production race itself. No doubt that every nation can produce more than it needs if the people cannot afford to buy the production.

In the end, all nations will find themselves with surplus of both goods and labor. We are determined to make industrial workers out of farmers, fishermen, and miners, whether their economy can stand it or not.

I am for building production facilities and helping our neighbors and friends all over the world if they will use the products for the betterment of their own people. I am absolutely opposed to building glass works in Japan to sell glass in my hometown while we close our plants down. This is the whole crux of the matter. Even when the Japanese worker gets more money, will he buy our glass in preference to his own. If he does, you can bet your last dollar his Government will raise the tariff.

Just one example to prove my point. After the war, this Nation's coal miners produced coal for West Germany. We

finally, with loans, equipment, and outright grants, put the German mines back into production. Immediately the West German Government slapped a tariff on American coal, equal to and above the cost of American coal in the marketplace. When we protested, the West German Government bluntly told us they had unemployed miners that had to go back to work. They were not impressed with our arguments about our unemployed miners, and the fact that we had paid to develop their distressed mines. Likewise, they were not impressed when we sent emissaries over to ask them to put up a little higher percentage in order to help develop underdeveloped countries. Why should they, they do not want to lose the markets we helped them take away from us.

When I left State government to enter Federal service, I was told by an oldtimer that the merry-go-round in Washington was the same, but parts of the horses on it were bigger. I see what he meant.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield for a question?

Mr. DENT. Yes.

Mr. HOFFMAN of Michigan. Why do you keep facing us on the Republican side when your boys over there originated this situation?

Mr. DENT. I will tell you why; because you have been in power for 8 years, and that is when things really went down the hill.

Mr. HOFFMAN of Michigan. We have been in power for 8 years? You have had a two-thirds majority over here. What is the matter with you?

Mr. DENT. I think you and I understand each other very well.

Mr. HOFFMAN of Michigan. You bet we do.

Mr. DENT. I know exactly how much power we had over here.

Mr. HOFFMAN of Michigan. You had two-thirds.

Mr. DENT. We overrode one veto, I think, in all the time I have been here. If we had had two-thirds of the votes, we could have overridden them all, because we wanted to.

Mr. HOFFMAN of Michigan. Of course, you could, if you wanted to. Why do you not discipline your own party? Why scold us?

Mr. DENT. If the gentleman will sit over here, I will probably look in his direction, because I do so like to talk to him.

Mr. HOFFMAN of Michigan. The gentleman will probably have one vote for him, then.

Mr. SIKES. Mr. Speaker, will the gentleman yield?

Mr. DENT. I yield to the gentleman from Florida.

Mr. SIKES. I have been very much impressed, Mr. Speaker, with the subject of the gentleman's discussion and with his able handling of this important matter. I think this is something that concerns every Member of the Congress and concerns a number of us in a very important way. I listened to the exchange a moment or two ago about who is to blame for the present situation. I do not think there is any point in trying to

assess blame. The important thing is where we are and what we are going to do about it. There are enough of us who are directly affected, if we take this matter to heart and really go to work on it, to correct this situation. We have to make a start somewhere, and this is a good place to do it.

It should be clear enough that the loss of competitive position on the part of American producers and American workmen is one of the most serious matters that now confronts American industry and the American economy. Unfortunately, apparently very few people in the high places really comprehend the drastic effect of this situation on America's families. There has been talk about legislation to benefit depressed areas. Unless we begin to meet more realistically the problem which is now being discussed we shall have a lot more depressed areas to deal with. It is estimated that 750,000 American workmen—three-fourths of a million American workmen—have lost their jobs in the last 5 years because of increased foreign competition and because of the increasing flow of goods manufactured abroad which are now being sold on the American market. It is estimated that those 750,000 workmen have 1,500,000 dependents and to these dependents the loss of the benefit of a steady income has been highly demoralizing and highly injurious. Of course, each of you know what the problem is. This situation came about largely because of American generosity. For years the people of the United States have given of their substance to the people of the world. We have given them new machinery, American know-how, the American production methods. Now they know as much as we do about production. With the lower labor costs and lower living standards which exist in other countries, they are now able to undersell us on our own markets, to say nothing of the loss of the world market. This is a situation which is going to get worse as time goes on. There is no point in kidding ourselves. Foreign producers now have first class goods to sell. They have modern factories in which to produce their goods. They have a lean and hungry attitude about world trade. They are out to get the market wherever and however they can get it.

It is estimated that this situation has resulted in a loss of \$4 billion to \$5 billion in sales annually for American industry. It has resulted in serious dislocations of American workmen. It has brought about the loss of hundreds of millions of American tax dollars.

This is where we stand today. The question is: Are we going to ignore this problem insofar as effective efforts are concerned, as we have done for the last number of years, or are we going to start in earnest to do something to combat the situation? I think the latter is our responsibility and our duty.

Mr. DENT. I thank the gentleman very kindly.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. DENT. I yield to the gentleman from Illinois.

Mr. MASON. The first extension of the reciprocal trade agreements was made in February 1937. It had operated for 3 years. There were 13 Members of the House in February of 1937 who voted "no" when the reciprocal trade agreements extension was brought out. I was one of the 13. Ever since then, yes, we have had 50 or 60 Members and the next time 100 or 150 Members.

As the problem came home to the American people of what these imports were doing to our workers—and the last time it took over a month to line up enough votes before they would bring it before the House—let us hope that more now have learned the lesson of what these tremendously growing imports are doing not only to our industry but also to our workers.

Mr. DENT. Thank you very kindly.

I want to suggest to all who hear me that if you have specific incidents where the application of the provisions of the Reciprocal Trade Act has caused severe damage in a given industry, why not join me once a week on this floor?

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield? I will give you one right now if you want to have it.

Mr. DENT. I will be glad to have it at any time.

Mr. HOFFMAN of Michigan. Three hundred workers in Bangor, a little town in the Fourth Congressional District of Michigan, are being put out of their jobs by importations from Japan which your party permits to come in.

Mr. DENT. I may say to the gentleman from Michigan that I do not care whose party it is. When I was a little boy somebody poisoned my dog. My concern primarily was with my dog, not with who poisoned him.

Mr. HOFFMAN of Michigan. I am glad the gentleman's party is repenting. You are hitting the sawdust trail, really; I know you are confessing. Now, if you follow it up it is all right with me.

Mr. PUCINSKI. Mr. Speaker, will the gentleman yield?

Mr. DENT. I yield.

Mr. PUCINSKI. I would like to commend the gentleman from Pennsylvania [Mr. DENT] for the presentation he is making here today. I think he is rendering a great public service in calling the attention of this House to this problem.

I remember 2 years ago when the gentleman from Pennsylvania [Mr. DENT], now in the well of the House, made a speech on this floor along similar lines. He was among the first to raise his voice to caution the Nation against what is happening. Those of us who joined him at that time were called protectionists and isolationists; we were called all sorts of things. Today, because of the severity and gravity of this problem, more and more voices are being heard and the crescendo of demand that some action be taken is becoming ever louder.

I have here a speech made the other day by Mr. Ross Siragusa, president of the Admiral Corp., one of the Nation's most distinguished industrialists. He joins those who demand that some action be taken to deal with the mounting

problem of foreign competition and foreign imports. Mr. Siragusa says:

I believe the motions that trigger a steady rise in our economy will soon be felt. It will not be a roller-coaster movement, but a slow steady improvement in sales and in general business activity.

Yet, the opportunity present for our industry is being curtailed by an erosive, undermining force. It comes from across the seas, but it has strong support here at home. It is the force of decay found in cheap-labor foreign competition.

Further in his remarks Mr. Siragusa points out that it would be unfair to label him an isolationist because his company does business in 110 nations of the world. Certainly he is not an isolationist. He also points out, as has been pointed out by others here, the misleading nature of figures applied to any discussion of the trade balance. There are those who say that we still enjoy a favorable balance of trade, that we are exporting \$14 billion and importing only \$11 billion annually, so we have nothing to worry about at this time.

He applies the figures of the electronics industry to show how misleading this sort of conclusion can be when he points out this whole subject of imports-exports must be judged in the number of man-hours displaced in the country by consumer items being imported from abroad.

This is the fundamental issue, reducing this entire discussion to American man-hours displaced by foreign imports.

Mr. Siragusa points out:

The apologists for our present international trade policies claim that Japan is our second best customer, importing \$1.4 billion from us, and exporting \$1.1 billion worth of goods to us.

One would presume this is a favorable balance of trade for the United States. Mr. Siragusa adds:

However, while on the surface, this seems like a satisfactory arrangement, the figures do not tell the whole story. In fact, they mask a serious threat not only to your industry but to the entire economic system of this country.

I want to pinpoint this situation now just as we have been attempting to do these past 2 years. Our exports to Japan are primarily in coal, cotton, wheat, soybeans, and the like. These are basic raw materials that help sustain only 100,000 American jobs. On the other hand, Japanese exports to this country are finished products and components that eliminated 600,000 American jobs.

In other words, Japanese imports are displacing 600,000 American jobs while creating work for only 100,000.

I think if the policymakers of our country will take this factor into consideration they will not resist us, they will not fight us; they will do what, for instance, has been suggested by Local 1031 of the International Brotherhood of Electrical Workers. Incidentally, local 1031 is the largest local in the Brotherhood of Electrical Workers.

I want to show you the disparity of the situation and how and why 22 of the largest electrical producers in Chicago today are operating on a 4-day week, and probably will go down to 3 days a week.

Local 1031 is taking a very drastic step. On May 1, by unanimous consent of its membership, they have voted to refuse to handle any foreign component parts in the assembly lines on which they work. This is indeed a drastic step, perhaps too drastic; but the fact remains this merely dramatizes the situation. I like one idea local 1031 has suggested, and I think the gentleman from Pennsylvania may want to incorporate this in his remarks.

They have suggested two points: First, this country should impose a tariff on all foreign imports so computed as to compensate for the difference between the wage scale paid to the foreign workers as compared to the legal minimum wage paid in this country; and, second, to encourage the raising of wages and the improvement of working conditions in such foreign countries the foreign manufacturers or exporter would be allowed a credit against this tariff measured by his wage costs, including fringe benefits, as compared to the legal minimum wage in the United States. When such wage costs reached the American minimum, the foreign manufacturer could export his goods to this country free of all tariff or duty.

I believe this is an excellent suggestion and should be considered by our Tariff Commission.

We are not afraid that the American worker cannot compete with foreign products as far as quality of merchandise is concerned, or that the American industrialist cannot compete. We are concerned about the cheap foreign labor market.

I would like to join again in congratulating the gentleman from Pennsylvania for starting this series of discussions. If we continue to join him, perhaps we will be able to evolve a realistic program, not one that is going to set up protective barriers, not one that is going to drive our friends and allies in the markets of international commerce out, but an intelligent approach recognizing the fact that the fundamental of American foreign policy is to raise the standard of living throughout the world. We know that communism breeds on poverty. If we can help the world raise their standards, we are making a great contribution in preserving the world against communism.

The gentleman's remarks are most timely, and I hope he will continue in his efforts.

Mr. DENT. I thank the gentleman for his contribution and for his effort to try to awaken the American people.

Mr. Speaker, I do not want to take any more of the time to carry on, but I have a request from my friend the gentleman from West Virginia [Mr. BAILEY] for some time, and he certainly shall have it. I now yield to the gentleman from West Virginia.

Mr. BAILEY. Mr. Speaker, after 14 years of battling in the well of this House to bring about basic changes in our present trade policies, with only a minimum of success, I welcome the many new recruits to this rapidly growing group of Representatives banded together for the purpose of saving U.S. jobs.

The distinguished gentleman from Pennsylvania who has just yielded to me is a two-fisted fighter whose hardnosed tactics can serve as a model to the newcomers to our ranks as we launch this drive to improve our basic national economy.

First and foremost is our serious unemployment situation. A job means more to the average American today than any other word in the English language. Today, I want to talk to you about how we might bolster our economy, reduce our unemployment rolls, and bring some gold back home.

The best approach to the situation is to call attention to what has happened to one of the Nation's major industries—coal—one of the Nation's basic fuels.

In 1946, at the close of World War II, the coal industry in West Virginia employed 123,000 miners. At the close of business on December 31, 1960, only 40,200 miners were employed. In the Nation as a whole, coal mine employment fell from 441,631 in 1948 to 171,000 in 1960. Most individuals, and particularly people in authority connected with our new administration want to explain away the loss of 83,000 miners' jobs in West Virginia and 271,000 jobs in the Nation by saying it is due largely to automation. The facts which I give you now are taken from the files of the U.S. Bureau of Mines and the Bureau of Labor Statistics.

First. In 1946, at the close of World War II when 123,000 West Virginia miners were employed, residual oil imports replaced the equivalent of 10,714,000 tons of bituminous coal.

Second. In 1960, residual oil imports replaced the equivalent of 55,200,000 tons of bituminous coal, an increase of 500 percent.

Third. From 1946 to 1960, residual oil imports replaced the equivalent of 475,001,000 tons of bituminous coal.

Fourth. When translated into lost man-days, coal miners lost 4,277,000 days of wages in 1960, and over the past 14 years a cumulative total of 52,116,000 days due to loss of jobs. These figures are based upon 6.3 tons of coal mined per man-day in 1946, but 12.9 tons mined under automation in 1960. In other words, automation has doubled coal production per man at the same time that residual oil imports have displaced domestic coal markets.

Fifth. Translated into lost wages, coal miners lost \$111,939,000 in 1960, and a cumulative total of \$1,053,097,000 from 1946 to 1960, directly due to fuel oil imports.

Sixth. Translated into lost jobs, coal miners lost 22,056 jobs in 1960 alone. This is ascertained by dividing 194, the average number of days worked in 1960, into 4,279,000, the total number of days lost.

Seventh. Translated into lost bituminous coal revenue, mine operators lost \$261,096,000 in 1960, and a cumulative total of \$2,262,385,000 from 1946 to 1960.

In addition to these devastating facts concerning the coal industry itself, let us look for a minute at the effects this debacle in the coal industry has had on other industries. Most of the coal produced is transported by rail. Residual

oil imports displaced coal shipments by rail totaling 40,186,000 tons in 1960. From 1946 to 1960, 367,908,000 tons were displaced from rail shipments. Are you surprised to learn why our major railroads in the eastern part of the United States are in financial difficulty; why roundhouses have been closed; railroad workers by the thousands furloughed?

Based upon a 1960 average revenue per ton of coal freight of \$3.40, U.S. rails lost \$136,633,000 in 1960 due to residual oil imports and a total of \$1,208,340,000 from 1946 to 1960.

The greater part of coal shipments carried by the Nation's railroads go from the mouth of the mine to fuel powerplants that produce electricity. Most of these contracts have been lost to shipments of cheap residual oil. Our railroads, on a dollars-and-cents basis, have lost \$65,583,000 in revenue in 1960, and \$581,872,000 from 1946 to 1960.

The above facts are not just figures. Their source is the Federal Bureau of Mines, the Bureau of Labor Statistics, and the Association of American Railroads.

Mr. Speaker, the George E. Sokolsky column published by the Washington Post on February 8 described a most amazing situation whereby Italian pharmaceutical houses actually pirate new products upon which our manufacturers have spent tremendous sums to develop. It is all done legally in Italy.

While I commend all of the article to the attention of Members, I cite one pertinent and significant paragraph:

The other night, I asked Henry Hazlitt, a leading American economist and an exponent of the free market, where on earth there is a free market today. Quite truthfully, he had to say, "Nowhere." That makes all classical arguments about the free market futile because one deals with realities. While the United States removes protection for industry, every other country continues its protection against imports; quotas have been established, particularly against American products at the same time that the United States pours huge sums into these various countries in the form of economic and military aid.

Nothing could point up more effectively the aims of those of us who are making this fight. We do not oppose trade; we do not oppose reciprocity. In fact we seek true reciprocity. All we ask is that our negotiators and policymakers make policy and negotiate on the basis of facts as they exist, rather than on the basis of a theoretical free market which simply does not prevail. Permit me to cite several additional instances:

A dispatch from Tokyo by UPI relates Japanese reaction to our save-the-dollar program. Japanese business leaders were said to fear tougher competition and in the Finance Ministry they were expecting American pressure on Japan to speed up the liberalization of her import restrictions.

Recently Joseph E. Moody, speaking for the soft coal producers before a subcommittee of the other body, listed a number of obstacles standing in the way of expanded coal operations. One of these obstacles was restrictions placed upon American coal by a number of European countries. He said that "as

a result of unequal foreign trade restrictions, the oversea market for American coal has declined from a peak of 76½ million tons in 1957 to less than 36 million last year."

One such restriction was imposed by Germany, which now places a tariff of \$4.76 a ton on American coal sufficiently high so as to make up for the difference in the cost of production between our coal and theirs. We lost on this deal 15 million tons.

All I ask, Mr. Speaker, is that we treat others as they treat us.

In connection with this coal situation, let me show you what is going on in the way of discrimination. The gentleman from Pennsylvania was right when he said it was a one-way street. It is no longer reciprocal.

Immediately following World War II when we began to pour millions of dollars of the American taxpayer's money into West Germany for the purpose of rehabilitating it, they had to have large shipments of American soft coal. Germany has coal deposits, but they are 2,500 to 3,000 feet underground. It is too costly for the German people to mine that coal, so they started buying it from us. American coal at that time was on the free list.

What happened? Three years ago we were sending 16 million tons of coal into West Germany annually. Like a bolt out of a blue sky, 2½ years ago the West German Government imposed an import duty on every ton of that American coal of \$4.76 a ton, an amount equal to the difference between what they could buy it for from us and what it cost them to produce it in their outmoded and deep-shaft mines in Germany.

Do you know that today we are shipping less than 1 million tons into West Germany, and that because they were on a long-term contract which they did not violate. By the 1st of July of this year we will be shipping less than 100,000 tons of coal into West Germany.

This is discrimination pure and simple. I say to you that it might have been justified in 1934, but there have been basic changes in America since 1934 and basic changes in all the world.

It is high time that we quit living in the reflected glory of the author of the reciprocal trade agreements and get down to business and see to it that proper safeguards are thrown around the domestic industries of America; otherwise, I just tremble to think of what is going to happen to you when your economy sinks so low that you cannot raise \$40 billion a year for a national defense program. That is exactly what old man Khrushchev wants. He wants to destroy our economy to the point where we cannot defend ourselves. Then, he will move in and take over. I say to you what is involved here is the safety of America because it means the safety of America's economy. Mr. Speaker, we in West Virginia do not want doles. We appreciate any help that might come to us through the so-called depressed areas program, but what we want is a restoration of our basic industries, five or six of which have been literally destroyed by our trade

policies. We are not asking for favors. We were prosperous once in West Virginia until your trade agreements went into effect. Let our industry compete in the markets of the world and our people and we in West Virginia will not be asking for favors.

Mr. BOW. Mr. Speaker, will the gentleman yield?

Mr. DENT. I yield to the gentleman from Ohio.

Mr. BOW. Mr. Speaker, I was very much interested in what the gentleman said, particularly about unemployment. I wonder if the gentleman saw an article several days ago in the New York Times from the United Press where in Stuttgart, Germany, the President of the United States bought dinnerware in Stuttgart for the White House.

Mr. BAILEY. No, I did not; but I certainly will look it up.

Mr. BOW. It was a United Press news dispatch printed in the New York Times.

Mr. BAILEY. The time for that kind of thing has passed in America, but let me say to you, next Monday in a special order we are going to offer Members of the House an opportunity to express their opposition to the approval by the other body of this backdoor entrance to the general agreements on trade and tariffs, the so-called GATT. That is the old OCED proposal which was turned down twice. But they are back now a third time trying to take us through the back door into membership.

Mr. Speaker, I thank the gentleman from Pennsylvania [Mr. DENT] for yielding this time to me.

Mr. DENT. I thank my colleague.

GOVERNMENT STATISTICAL INFORMATION

Mr. HARDY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks, and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. HARDY. Mr. Speaker, I have received a letter from Mr. Elihu M. Shepard, who is a certified public accountant in Norfolk, Va., who expresses his irritation and concern over the multiplicity of Federal reports and "voluntary" statistical data which he is required to file. The letter speaks of his frustration much more clearly than I can, and reads as follows:

To Bureau of Labor Statistics, Secretary of Commerce, Senator Harry F. Byrd, Representative Porter Hardy:

1. The Department of Commerce through the medium of its Bureau of Labor Statistics, makes monthly requests for information from employers on the employment situation throughout the United States. The purpose is to determine the status of employment in the various parts of the United States.

2. According to the heading on the stationery or forms issued by the Government agency, this is a voluntary project.

3. However, the parties responsible for gathering this information think that their Government position makes them czars in the sense that they believe that their infor-

mation comes ahead of what the party furnishing the information has to do to make a living.

4. There is no Government contract between the Government and the party furnishing the information nor is any Federal appropriation established by Congress to reimburse the taxpayer or his employer for the time required to compile this data.

5. During the past few weeks, the writer has been snowed under preparing unemployment tax returns, business license forms, social security tax returns, State business licenses, and other tax forms for his various clients.

6. The purpose of this preparation is to enable the taxpayer involved to pay his voluntary taxes so the wages can be available in the congressional appropriation to pay the civil service salaries and pensions to the parties indicated in paragraph 3 supra.

7. We are doing our best to keep such people gainfully employed. However, the writer, and no other accountants are in a position to stop earning a living to take care of the most immediate demands of the civil service employees with IBM brains and equipment.

8. It is therefore requested that some suggestion be made to the human rather than mechanical brain that demands these reports to think about:

(a) The party who is supposed to voluntarily furnish the data to the occupation of the civil service employee involved be given a chance to not only earn a living but get those things done which enable him to voluntarily furnish the data.

(b) The Government appropriate such funds as are necessary to compensate the said voluntary taxpayer so he can drop all his means of livelihood and immediately comply with the Government agency request.

(c) And finally, stop giving out orders in a style that is reminiscent of the Army where you do what you are told and don't ask questions. In other words, use some sense and stop being mechanical in demanding things of the taxpayers without thinking that the taxpayer only has nothing to do but take care of answering statistical information for Government agencies.

ELIHU M. SHEPARD,
Certified Public Accountant.

SUPPORT PRESIDENT KENNEDY TO HELP ALLEVIATE HUMAN SUFFERING

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, I am heartened by the promptness with which the new administration is moving in the matter of unemployment, especially heartened by the fact that Secretary of Labor Goldberg, accompanied by Congressmen ROY MADDEN and ROMAN PUCINSKI, has visited Chicago and other points in the Middle West for a personal, firsthand view of a situation that is nothing short of tragic.

From the letters I have been receiving from Chicago, the number of which is daily increasing, it would seem that conditions rapidly are approaching the proportion of sheer hopelessness that prevailed in the developing years of the great depression.

Something must be done, and done quickly. In the name of humanity, as

well as in the national self-interest, the Congress must give full support to President Kennedy in his efforts immediately to alleviate human suffering and, while there yet is time, to stem the tide of unemployment that, permitted to run, will engulf us.

The letters I daily am receiving from both men and women who are going from place to place in vain quest for employment are heartrending.

Here are excerpts from one letter:

I braved a 39-mile-an-hour wind and 8 inches of snow to walk miles to answer the want ads. As I have found it for over a month of faithful searching, there was no job, and I was willing to accept anything. One place had advertised for general male factory help. I found a terrific mob, with no queue or system, and after an hour's milling around a door opened and a man shouted: "We haven't any jobs; that's all." The next place was no better—a long, long line, 2 hours of waiting, then told to make out an application and await notice if they needed help.

Another jobless constituent writes me:

I spent one entire morning at a hospital where they advertised for someone in the maintenance section at \$1.45 an hour. The crowd of applicants made a line that seemed endless—young, old, poorly dressed, well dressed, white, Negro, Japanese, etc. After hours of waiting, the result was the same old story—file an application. I talked with a man while we stood in one of the lines, and he voiced the thought I have had so often: "Everywhere you go, just applications, and then never hear from them." Yet, perhaps a week later, the same ad will appear again. It gives me the thought that the personnel managers are perhaps just building up their own jobs.

Mr. Speaker, I passed through the years of the depression. In 1929 and 1930 I saw conditions of unemployment, with growing lines of men and women seeking jobs, and government did nothing about it, thinking things would right and jobs aplenty were just around the corner. Then came the dreadful years, with closed banks and idle factories, an entire nation economically prostrate. I am seeing the same signs today. For all that is decent, for all that is prudent and wise, for the sake of our country and for all its people, let us move into action now, let us do something and do it quickly and effectively, giving the full support of the Congress to President Kennedy as he proceeds by whatever steps are necessary to meet the challenge of an alarmingly growing army of the jobless crying out for an opportunity honestly to earn by toil their daily bread.

HEALTH INSURANCE BENEFITS ACT OF 1961—H.R. 4222

Mr. KING of California. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and to include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. KING of California. Mr. Speaker, the President has transmitted to the Congress a proposal to provide health insurance benefits for persons aged 65 and over through the social insurance system. It is with a sense of urgency, and with satisfaction, that I am today introducing H.R. 4222, which embodies the proposal made by the President.

In his special message on health and hospital care on February 9, the President described several areas in which the Federal Government has an essential role in improving the Nation's health care. The most important of the health care proposals he made was the one for financing health insurance for the aged through the social security and railroad retirement systems. Because of the seriousness of the problems the aged face in meeting the costs of their health care, it is of the utmost urgency that we act on the President's request and move to meet the vital health needs of the aged.

As indicated above, I am very pleased to introduce this health insurance proposal at the request of the administration, and I will press for expeditious consideration of the bill in the Committee on Ways and Means.

I know that this proposal represents less than many individuals wish to have included, but, at the same time, it also represents far more than other individuals or interests may want. However, it is an effort and a practical approach to achieving progress in the neglected health care field for our senior citizens.

There follows a brief factual description of the provisions in this bill and the reasons for it:

SUMMARY OF BILL

Persons entitled

Protection against the cost of inpatient hospital, outpatient hospital diagnostic, skilled nursing home, and home health services would be provided for persons who have reached age 65 and are entitled to monthly benefits under the old-age and survivors insurance program or under the railroad retirement system.

Scope and duration of benefits provided

The services for which payment would be made under the proposal would be:

(1) Inpatient hospital services for up to 90 days. Hospital services would include all those customarily furnished by a hospital for its patients, and would be subject to a deductible amount (paid by the patient) of \$10 a day for up to 9 days, with a minimum of \$20;

(2) Skilled nursing home services, after the patient is transferred from a hospital, for up to 180 days;

(3) Outpatient hospital diagnostic services, as required, subject to a \$20 deductible amount for each diagnostic study;

(4) Home health services for up to 240 visits during a calendar year. These services would include intermittent nursing care, therapy, and part-time homemaker services.

An individual could be eligible for up to 90 days of hospital services and 180 days of skilled nursing home services in each period of illness, but subject to a maximum of 150 units of service. A unit of service would be equal to: 1 day of inpatient hospital services or 2 days of skilled nursing home services. Thus, if during a period of illness

a beneficiary transferred from a hospital to a skilled nursing home after 60 days, payment could be made for the 60 days of hospital care and for up to 180 days of his skilled nursing home care. If the beneficiary transferred after 95 days in the hospital, payment could be made for 90 days of hospital care and up to 120 days of his skilled nursing home care. A new period of illness would not begin until 90 days had elapsed in which the patient was neither in a hospital or a skilled nursing home.

Basis of reimbursement

Payments to the providers of service would be made on the basis of the reasonable cost incurred in providing care for beneficiaries. The amount paid under the program would be payment in full for covered services, except, of course, that the provider could charge the patient the amounts of the deductibles and extra charges for a private room or private duty nursing.

Administrative aspects

Responsibility for administration of the program for social security beneficiaries would rest with the Secretary of Health, Education, and Welfare. Considerable reliance would be placed upon the States to assure that local conditions would be taken into account. The Secretary would consult with appropriate State agencies and recognized national accrediting bodies in formulating the conditions of participation for providers of service. In addition, the Secretary would have the authority to utilize State agencies to perform the administrative functions of determining whether a provider meets the conditions for participation and to provide consultative services to providers. Provision would be made for the establishment of an advisory council which would advise the Secretary on policy matters in connection with administration.

In order to be eligible to participate in the program, providers of service would have to meet specified conditions to assure the health and safety of the beneficiaries. If it desired a State could recommend that more strict conditions be applied with respect to providers of service within that State.

Financing

The program would cost 0.6 percent of covered payroll. In the early years of the program, benefit payments would amount to slightly more than \$1 billion a year. The social security contribution rates would be increased one-fourth of 1 percent on employers and one-fourth of 1 percent on employees and three-eighths of 1 percent for the self-employed, effective in 1963. The taxable earnings base would be increased from \$4,800 to \$5,000 a year, beginning with 1962. Raising the earnings base would improve the benefit structure of the system generally and would also provide additional income which together with the income from the contribution rate increase would fully meet all health insurance costs.

Effective dates

Payments would be made with respect to inpatient hospital, outpatient hospital diagnostic, and home health services provided on or after October 1, 1962, and for skilled nursing home services furnished on or after July 1, 1963.

FACTS BEHIND THE HEALTH INSURANCE PROPOSAL

Need for protection

Older people in general have need for more medical care and less ability to pay for this care than is the case for younger persons. At least one member in every fifth aged

couple entitled to benefits was in a hospital sometime during a year, according to a recent survey of OASI beneficiaries. For half of these couples, the total medical bills incurred amounted to over \$700—more than the cost of a modest food budget for the entire year. Only 57 percent of the couples having a hospital stay were able to meet all their medical bills by themselves.

Since 1957, the date of the survey, medical care prices have gone up by 14 percent, and hospital rates by 20 percent, so that total medical bills today for those requiring hospitalization would be noticeably higher, yet current income figures still show as many as 55 percent of the persons 65 and over having less than \$1,000 cash income a year. Although many aged persons have savings, those with the lowest incomes are the least likely to have assets readily convertible into cash. In 1959 the Federal Reserve Board found that nearly one-half of the aged spending units with incomes under \$3,000 had no money in savings funds or bank accounts, or had less than \$200.

Aged people go to the hospital more often than younger people and stay longer. As a result, the number of days spent in a general hospital is between two and three times as large, on the average, for persons 65 and over as for younger persons (1,778 days per 1,000 as compared to 764). Yet only 46 percent of the aged have hospitalization insurance, as compared to about 70 percent of younger persons. In addition many of the insurance policies available to the aged offer small benefits under limited conditions.

Effects

The proposal, of course, would not cover all of the medical needs of older people, but it would take care of the most urgent needs and enable them to better finance their other medical care needs.

At the beginning of 1963, the first full calendar year of operation under the program, there will be about 16½ million people aged 65 and over in this country. Of these 16½ million people, 14½ million will be protected by the program because they are entitled to social security or railroad retirement benefits. An additional one-fourth million—retirees under the Federal staff retirement systems—will be eligible for health benefits that are at least equivalent in value. About one-half million persons will be on the veterans' pension or compensation rolls, and generally these people can obtain comprehensive health care under the veterans' programs. Over 1¼ million of the remaining aged persons who are not covered under the social security and railroad retirement programs will be on the old-age assistance rolls when the new program goes into effect. Having already met a test of need under the assistance program, these people will be eligible, without undergoing a further test of need, for such medical assistance as is provided under the old-age assistance programs of the States in which they live.¹ In summary, all but about one-half million persons aged 65 and over would be eligible for some form of health protection under public programs.²

¹ In some States the provisions for medical assistance under the old-age assistance program are quite limited; these limitations, generally speaking, do not result from any lack of provision in the Federal law but rather the fact that the State programs in question have not developed to the point where they utilize all the available Federal grants.

² Even among the residual group of one-half million, some will be in public institutions, e.g., mental hospitals, and receive complete medical care at public expense.

Population age 65 and over: Estimates of eligibility for health protection under public programs¹ as of January 1963

	Age 65 and over number (in millions)	
Total aged persons.....	16½	
Entitled to benefits under OASI.....	13¾	
Railroad retirement annuitants.....	½	
Annuitants under Federal staff retirement systems.....	¼	
Recipients under other Government systems:		
Veterans' programs.....	½	
Old-age assistance ²	1¼	
Not under any Government program.....	½	

¹ In this table persons eligible under old-age and survivors insurance or the railroad retirement system and also under some other public program are shown only under OASI and railroad retirement.

² In some States the provisions for medical assistance under the old-age assistance program are quite limited; these limitations, generally speaking, do not result from any lack of provision in the Federal law but rather the fact that the State programs in question have not developed to the point where they utilize all the available Federal grants.

GENERAL DISCUSSION NEED FOR HEALTH PROTECTION

The need to protect our senior citizens against the tragic hardships of expensive illness is a crying need through our Nation. No one can deny the very serious problem that older people face in meeting the cost of medical care. Older people have medical care costs twice those of younger persons, but their annual incomes are only half those of persons under 65. The number of days the aged spend in general hospitals is on the average between two and three times as great as for younger persons. Only 46 percent of the aged have hospitalization insurance, as compared with about 70 percent for younger persons. Moreover, many of the insurance policies available to the aged offer only very small benefits under limited conditions.

The high cost of medical care of the aged is not a problem of only the very poor. Almost all of our senior citizens have reason to fear that expensive illness may wipe out their lifetime savings, threaten their ownership of a home, force them to be dependent upon their children, or make it necessary, after a lifetime of independence, to submit to the humiliation of inquiry by the Government into their personal affairs.

A SOUND AND TESTED METHOD

A great deal of study has been devoted to determining the best way of meeting the problems of financing health care for the aged. The task force appointed by the President-elect soon after the election has made significant contributions to the study of the problem. Composed of distinguished specialists in the welfare and health fields, the task force reviewed the proposal for action relating to the health and welfare needs of the country and formulated very helpful recommendations.

The bill I am introducing would give protection against the health costs for the aged through the tested mechanism

of social insurance. The bill would make it possible for people to provide during their working years for their health needs in old age, as they do now for their income in old age. Like the present social security benefits, health insurance protection would be provided as a right that is earned through work and paid for out of earnings. Under this plan, the health care needs of the aged would be financed on a sound basis without placing a drain on general revenues. Furthermore, this plan would provide basic protection, just as our old-age, survivors, and disability insurance program provides basic protection, on which the aged could build their own protection against physicians' and dentists' services and drug costs.

Those who would be protected under the provisions of this bill are persons who are entitled to old-age and survivors insurance benefits or are annuitants of the railroad retirement system and are age 65 or over. These people are in the age group whose incomes are lowest—these are the people least likely to have protection against the cost of illness—these are the people with the highest medical expenses.

A WELL-ROUNDED PROGRAM

The bill provides for payment of costs of inpatient hospital services, of subsequent skilled nursing home care, of certain home health services, and of outpatient hospital diagnostic services. This group of services represents a balanced program for meeting basic health needs—a program that would promote the best interests of the beneficiary and of his community. The services provided make possible a step-by-step progression of care as the patient's condition changes. The person who requires expensive diagnostic services that can be provided for him on an outpatient basis will not need to become a bed patient in a hospital to have his expenses paid through the plan. On the other hand, an acutely ill person who needs intensive care can have much of his inpatient hospital care paid for; and when his condition is no longer so acute as to require general hospital care, if his physician finds that he still needs substantially full-time skilled nursing care, the program would pay the cost of one-half a year of the required care in a skilled nursing facility. Similarly, since the home health services provided for in the bill consist of visiting nurse and similar care a beneficiary who needs only part-time skilled nursing service at home would have protection against the costs of such medically necessary services. Thus, unlike health insurance policies covering only hospital care, the proposed program would not discourage the use of medical facilities other than hospitals, where such use is medically indicated. By placing appropriate emphasis on early diagnosis and on care outside the hospital, the bill would release hospital beds for the care of the acutely ill who need the intensive care that only a hospital can furnish.

The availability of protection against the costs of outpatient hospital diagnostic services would tend to prevent the abuses that have occurred under some hospital insurance plans that pay for hospital services only if given on an inpatient basis. The availability of this protection would be a distinct advantage to the beneficiary, too. At present, fear of the high cost of diagnostic services is in many instances a barrier to the detection and early treatment of maladies that grow worse with delay. As a result of early diagnosis and treatment and avoidance of unnecessary hospital admissions, payment of the cost of outpatient services would result in health care that is not only effective but economical.

A PRUDENT PROGRAM

In line with the prudent approach that should be taken in a new field, the bill places various limitations on the services provided. These limitations are much less severe than those in the great majority of health plans available to the aged, and they will not prevent the plan from affording very substantial help to people who face the costs of catastrophic illnesses. With respect to inpatient hospital services, only the costs of semiprivate accommodations would be paid, except for cases in which private accommodations are medically necessary. Private duty nursing services would not be covered; but all nursing services customarily provided by the hospital, including as intensive nursing care as may be necessary, would be paid for.

For a single period of illness, payment could be made for 90 days of inpatient hospital care or 180 days of skilled nursing home care. The total number of days for which payment could be made during a period of illness is 150 units; a unit equals 1 day of hospital inpatient care or 2 days of skilled nursing home care. Under this provision, even if a person had to remain in a hospital for 90 days or more he would be eligible for payment for 120 days of skilled nursing home care after his hospitalization. If his condition permitted him to go to a nursing home after 60 or fewer days of hospitalization, he could have 180 days of nursing home care paid for. Thus an incentive would be provided for the use of nursing homes, where appropriate, rather than hospital services. No more than 240 home health care visits would be paid for in a calendar year.

First-dollar coverage would not be provided. Instead, there would be a deductible of \$10 for each of the first 9 days of inpatient hospital care during a period of hospital illness, with a minimum deductible of \$20. A deductible of \$20 is provided for each diagnostic study that a beneficiary has as a hospital outpatient. The fact that the patient will have to bear part of the cost of some of the services he gets does have disadvantages, but I think that especially in a new program the net effect is advantageous. The cost of the program will be kept low, there will be safeguards against unnecessary use of health services, and the high administrative costs of handling small claims will generally be avoided.

PRESERVATION OF EXISTING MEDICAL PRACTICES

I want to make it very clear that there is nothing provided in this bill which would in any way conflict with the established practices for providing health care. The health benefits would be provided without interfering with the patient's free choice of physician or facilities and without altering the present form or organization of medical practice. The care that beneficiaries would receive, and the institution or facility providing such care, would be a matter strictly determined by the beneficiary, his physician, and the provider of services. The Government would provide no care; the Government would offer no services; the Government would only establish the means for paying for the health care of the aged. The medical profession will continue to be responsible for the quality of the care available to the people of the United States; the providers of service would still be responsible for determining what services they will make available. The process by which they would be paid for the services furnished will be much the same as that now used when they are paid by Blue Cross and other large purchasers of health services.

Providers of service who wish to participate in the plan would enter into agreements under which they would be paid for the reasonable cost of the services they furnish under the plan. The program would follow practices already well established and accepted by the hospitals, in their relationships with Blue Cross, the States, and with other Federal programs. Thus, the program would tie in with the customary practices of hospitals. If the hospital customarily provides a given service for its patients, that service would be paid for under the plan.

PARTICIPATION BY STATE AGENCIES AND OTHER ORGANIZATIONS

General condition for the participation of hospitals, skilled nursing homes, and agencies providing organized home health services are spelled out in the bill. In addition, in the interest of keeping the program in a close relationship with developments in the professions, the bill directs the Secretary of Health, Education, and Welfare to establish a Health Insurance Benefits Advisory Council. The Council would assist the Secretary in formulating general policy and in developing, for the health and safety of beneficiaries, conditions for participation by providers of services.

The States would also play an important role; the Secretary would use appropriate State agencies in determining which providers of health services satisfy the conditions for participation. If a State agency recommended additional or more strict conditions for participation in its State, the Secretary could modify the conditions in that State accordingly. Thus the States would be encouraged in their efforts to improve the quality of care provided to their citizens.

FINANCING

The health insurance benefits provided by the bill would be financed by adding—in 1963—one-fourth of 1 percent each to the employers' and the employees' social

security tax rates, and by adding three-eighths of 1 percent to the tax rate for self-employed persons. Also, the maximum on yearly taxable earnings would be increased from \$4,800 to \$5,000 in 1962. Raising this base would improve the benefit structure of the social security program generally and would also provide additional income, which, together with the income from the contribution rate increase, would fully meet all of the costs—0.6 percent of covered payroll on a long-range basis—of the health insurance program.

PROTECTION FOR PRACTICALLY ALL THE AGED

One objection that has been made to providing health insurance to the aged beneficiaries under social security is that the plan leaves out too many aged persons. It has been said that if health insurance benefits were provided for people age 65 and over, under the social security system, 4 million of our senior citizens would be left without protection.

Mr. Speaker, there is nothing to such a statement. Actually, when the plan goes into effect, all but half a million—not 4 million, but half a million—of our aged citizens will have health protection available to them under a public program. Less than 4 percent of the people aged 65 or over will lack such protection.

At the time the health insurance provisions of the bill become effective, there will be about 16¼ million people age 65 and over in this country. Of these 16¼ million people, 14¼ million—all but 2½ million of the total—will be protected by the program because they are entitled to social security benefits or railroad retirement annuities.

Now let us take a look at these 2½ million people. About one-quarter million of them will be getting benefits under Federal staff retirement programs. Legislation enacted last year provides a comprehensive health insurance program, effective on July 1 of this year, for Federal employees already retired. Under the Government employees' health insurance program now in effect for active employees, Federal employees not already retired can carry their health insurance protection over into retirement—with the Federal Government, as their former employer, helping to pay the cost of the protection. Clearly, no problem results because retired Federal employees are not provided health benefit protection under the social security program.

Among the remaining aged persons who are not eligible for social security, there will be about one-half million getting veterans' compensation or veterans' pension. In addition to the cash benefits that they receive, these people generally can obtain comprehensive health care under the veterans' program.

Over 1¼ million of the remaining aged persons who are not covered under the social security health insurance program will be on the public assistance rolls when the new program goes into effect. Having already met a test of need under the assistance program, these people would be eligible for whatever medical assistance is provided by their State without undergoing a further test of need.

There remain then about half a million aged persons—not 4 million, but half a million—who may need help to meet their health care costs and to whom such help will not be available under social security or some other public program. These people, as I said, constitute less than 4 percent of the total number of aged persons.

The group includes some who are in public institutions and are receiving complete care at public expense. No one can reasonably argue that the overwhelming majority of the aged should be denied the great advantages of health insurance protection under the social security program simply because there will still be a few people who are not eligible for health benefits under a public program.

Moreover, the figures I have given deal with the situation as it will be when the new plan goes into effect. As time goes on, the percentage of people who reach retirement age without having protection under social security grows smaller. Within a comparatively short time practically all of the aged will have social security protection. To suggest that more than 14¼ million of our senior citizens should be denied the advantage of health insurance benefits under the social security system because in the beginning there will be about one-half million of the aged who are neither under social security nor assured of continuing protection against the cost of illness under some other public program—thus having to rely on the medical assistance program if the need arises—is to take a very short view indeed.

BENEFICIAL EFFECT ON PUBLIC ASSISTANCE

The provision of health insurance benefits under social security would greatly reduce the amount of State and local funds that will have to be raised if the State medical assistance programs, set up under the terms of the Kerr-Mills bill enacted last year, are to be effective. I favored the Kerr-Mills bill, and I recognize the necessity for the medical assistance program which it established. But I recognize, too, that in the health insurance area, just as in the area of income maintenance for the aged and for the disabled, the State assistance programs will be able to do a better job if basic needs are met through social insurance and the States do not have to carry the burden of meeting these needs. When the old-age and survivors insurance program was expanded and liberalized in the early 1950's, the public assistance programs were enabled to do a better job in supplementing the basic social insurance program. The same kind of thing happened after the old-age and survivors insurance program was extended to provide disability benefits. Here again, in the field of benefits covering health costs, following the enactment of the social insurance program, the States would be able to liberalize their income tests and otherwise move in the direction of a meaningful and effective health care program for the few aged persons who would still need help in meeting their health care costs. As former Secretary of Health, Education, and Welfare Marion Folsom said recently, "a nationwide system of

social insurance against health costs of the aged is logical for the same reasons that the old-age retirement annuity system had to be financed on a nationwide rather than a State basis."

UNWARRANTED CRITICISM OF THE PLAN

A few people have said that the addition of health insurance benefits would violate the wage-related principle of the social insurance system, and they are worried about this. It is entirely reasonable to support health insurance benefits through contributions which vary with earnings. And since the costs of health care are the same for all, it is just as reasonable to provide the same health insurance benefits to all who are protected.

The health insurance under this plan does not replace private insurance. In fact, I believe private insurance would be benefited—just as the purchase of life insurance and annuities to supplement cash payments under social security has increased the field of activity for insurance companies. With basic protection assured, those who could afford to do so would buy private insurance to complement the health insurance that would be provided under the social insurance program.

There are others who say that there is no reason to add health insurance benefits to our social insurance system because no one in this country goes without the medical care he needs. I am sure that the people who say this believe it; but, I am just as sure that they are wrong. It is true that much medical care is provided free to those who need care for which they cannot pay. Public assistance agencies and private charitable organizations do a most commendable job. Many physicians and institutions are generous in reducing charges or providing care at no cost. Relatives and friends frequently pay medical expenses. All this is true. What is also true is that many older people who are sorely in need of medical care do not get it because they are too proud to accept charity. What is also true is that those whose care is paid for by assistance agencies, public or private, receive such care after the humiliating experience of proving they are in want. What is also true is that many of the expenses that are paid by relatives and friends are paid at great cost to the well-being of the children and grandchildren of the elderly ill. Do we want to go on permitting children to be denied the education they should have—or even to go without food and clothing they need—because grandfather must go to the hospital? I say "No." I say, we must prevent dependency—not just deal with it at the expense of families, friends, and the general taxpayer. We must prevent dependency and help make it possible for all our people to live in dignity and security.

FAVORABLE ACTION NEEDED NOW

I have been deeply concerned over the potentially disastrous effects of big hospital bills which our older citizens are only too often forced to bear. To my district and my State, health insurance benefits for the aged will be of great importance. California has long been a

place to which many have gone to live out their years, and there are now over 1¼ million residents of the State who are age 65 or older. I am pleased that so many people have chosen my part of the country as the place to spend and enjoy the later years of their life, but I am distressed that so many of them do not have adequate protection against the costs of illness. For example, of Californians who are past 75, only about 1 in 7 has any type of health insurance—and much of this is so limited in scope as to provide little or no real protection.

I could not introduce this bill without paying tribute to a former colleague in the House and on the Ways and Means Committee. I refer, of course, to Aime Forand, who during the past several years made such diligent efforts to get health insurance benefits included under the social security system. In fact, because of his leadership in this field, proposals using the social security approach, such as the one I am introducing, are often called Forand-type. To Aime Forand we all owe a great debt.

I am proud to have the privilege of introducing the administration's bill. When enacted, this proposal will make it possible for those who are old today to get the medical care they need and will banish the fears of future unmet medical needs of those who are not yet old. I urge that you act favorably upon this measure when it comes before you for consideration.

NAMING OF FORMER REPRESENTATIVE BROOKS HAYS WINS ACCLAIM

Mr. PELLY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. PELLY. Mr. Speaker, I cannot praise too highly President Kennedy's appointment of our former colleague, Brooks Hays, to the position of Assistant Secretary of State for Congressional Relations.

Those who have been privileged to serve with Brooks Hays or who have known him could not fail to feel respect and admiration for him. His is an ideal appointment. Not only is his knowledge and know-how of Government unusual, but also his comprehension of foreign issues is remarkably well founded. His maturity of mind coupled with humor, wisdom, and the highest possible integrity makes him almost a perfect choice for this important position and responsibility.

Mr. Speaker, Brooks Hays' appointment will be received with acclaim by all who know him. It augurs well for relations between the 87th Congress and the State Department.

WHAT CONGRESS SHOULD DO IF RED CHINA IS ELECTED TO UNITED NATIONS

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Iowa? There was no objection.

Mr. GROSS. Mr. Speaker, Britain's Foreign Secretary has told the British Parliament that the facts of international life demand that Red China be seated in the United Nations despite the fact that Communist China has none of the credentials of a peace-loving nation.

A few days ago, at the World Health Organization meeting in New Delhi, India, a move to seat Red China in that organization was barely defeated, and this only because 35 nations either deliberately abstained or absented themselves when the vote was taken.

Mr. Speaker, should the Chinese Communist government be seated in the United Nations without having atoned for its aggression on South Korea, and other crimes against humanity, two steps should be taken immediately:

First, Congress should promptly adopt the legislation necessary to withdraw the United States from the United Nations, and

Second, Congress should then recess and repair to Arlington Cemetery where lie buried hundreds of America's youth killed in Korea and humbly ask forgiveness for having sacrificed their lives so that their enemies might be set upon a pedestal, and so that the emblem of the British pound sterling could be raised on high.

ADJOURNMENT TO WEDNESDAY, FEBRUARY 15, 1961

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

THE PRESIDENT'S RIGHT TO PRIVACY

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, for something like 5 years the Committee on Government Operations has had a subcommittee headed by the gentleman from California [Mr. Moss] on this issue of the people's right to know, the theory being that, inasmuch as this was the people's Government, the people had the right to know everything that transpired in the executive departments and everything our executive officers, including the President, did and said, and who their friends were and what advice had been given and the reasons for it.

The subcommittee was giving the Eisenhower administration "heck," I guess you would call it, and doing it time and time again. Including the record of the last hearing held by the subcommit-

tee on April 23, 1959, the pages to date number 4,260. This does not include reports nor answers to questionnaires.

Now, I notice that the present Democratic administration is closing up on us. The President told some reporters, according to yesterday's press, that he would not let the reporters in at Middleburg, to see and know everything he did at his private home there. Apparently, he intends to insist upon his right to wipe his nose when he gets ready, without telling us the kind of handkerchief he uses.

I want to go along with the President on this. He should have some private life and I hope he kicks those reporters out when they come around there interfering with his private life.

VICE ADM. HYMAN G. RICKOVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, the action of the Secretary of the Navy, John Connally, Jr., in extending to 1964 the question of retirement of Vice Adm. Hyman G. Rickover is highly commendable. Admiral Rickover is profoundly respected both in and out of Congress. The action of Secretary Connally will receive widespread approval. By his decision the Navy Department and our country will continue to have Admiral Rickover's outstanding leadership in a field of great importance to our national interest.

In stating his reasons for his decision, Secretary Connally said in part:

This action is taken in the best interests of the Navy and the Nation in view of Admiral Rickover's unique capabilities.

If no action had been taken by the Secretary, Admiral Rickover, because of age limitations, would have had to retire on February 1, 1962. The limit of the legal power to extend the active duty of Admiral Rickover is to age 64.

Secretary Connally has given Admiral Rickover the maximum extension possible, which shows vision, leadership, and judgment on his part.

In expressing my appreciation I congratulate Secretary Connally for his action.

THE NATION'S YOUTH AND ITS LAND NEED A YOUTH CONSERVATION CORPS

The SPEAKER pro tempore (Mr. ALBERT). Under previous order of the House, the gentleman from Florida [Mr. SIKES], is recognized for 20 minutes.

Mr. SIKES. Mr. Speaker, more than a quarter of a century ago, an agency of government was established which contributed greatly to the good of the youth of the land and to the resources of the Nation. That organization was the Civilian Conservation Corps. It came at a time of actual hardship in the land. It provided a great morale boost to many thousands of young men and to their

families. The training it gave was invaluable. I have watched the progress of many of the young men who were then enrolled and have since seen them become mayors, legislators, business and civic leaders through the intervening years. I have also seen the good results of their work in the forests of the Nation.

There is distress in many areas in the land today. There is talk of legislation for distressed areas. There is a serious problem among young people who see no future because they can find no gainful employment in these areas. I find in the Nation's forests great areas which need conservation measures, or which need replanting, or both. In both our land and our youth we have an investment of great value. We should cultivate, develop, and encourage both.

Therefore, Mr. Speaker, it occurs to me that the time is ripe for the reestablishment of a youth conservation corps, dedicated to the improvement of our youth and our lands. I have reintroduced a bill, which I introduced in previous Congresses for this purpose. Such a measure was passed by the Senate last year in somewhat different form but the House failed to act on it. I hope that it will receive early consideration and approval by the 87th Congress. I submit also as a part of this statement, the detailed statement which I made at the time of the introduction of my bill in the 86th Congress and ask for its reprinting. This appeared in the CONGRESSIONAL RECORD of June 23, 1958.

It is estimated that the present total cost per man will be \$2,500 to \$3,000 per year. I consider that it will be money well and wisely spent.

[From the CONGRESSIONAL RECORD, June 23, 1958]

Mr. SIKES. Mr. Speaker, in America today great emphasis is being placed on exploration of outer space, on development of complex high-powered rockets, and on projected trips to the moon. Much concern has been expressed over the lack of qualified scientists and engineers and Congress is presently considering legislation which will provide scholarships for deserving young men and women who desire to pursue studies in these fields. I commend this program because, if we in America are to continue to lead the fight for freedom and democracy, we must have the necessary knowledge and trained manpower to meet and overcome the challenges we face.

Today our youth are thinking in terms of missiles, research, space travel, and other subjects which were unheard of a few years ago. Now, I realize this is a natural thing in keeping with the times. Yet, I am concerned that so much emphasis and thought is being directed along this one channel. There are many other important fields which should also command the attention of the youth of America. One of the most important of these is the conservation and development of our natural resources and this is just as essential to the longtime welfare of the United States.

This Nation has long been the dreamland of freedom for the individual and of an abundance of everything necessary to make life a pleasure. When our founders came to this country, they found forests abounding with timber—they found an abundance of fish and wildlife—they found rivers and lakes that were unspoiled. In other words, they found nature at its best. Since that time, however, modern progress, increased

population, human consumption, transportation needs, and urban development, have all contributed to the reduction and deterioration of our natural resources.

Our local, State, and National Governments, as well as many civic and fraternal organizations, are doing an outstanding service to the country through programs to promote the conservation and development of natural resources. However, I am firmly convinced that much more progress in this field is necessary if we are to insure for future generations the natural resources which are necessary for our own survival.

Mr. Speaker, as a step in this direction, I am today introducing a bill designed to establish a youth conservation organization to assist in the conservation and development of natural resources, provide employment and training for unemployed youthful citizens, and for other purposes.

This organization would be similar to the Civilian Conservation Corps, better known as the CCC, which was in existence from April 1933 to June 30, 1942.

The successful part this organization played in aiding the Nation's forests and implementing the national economy is still fresh in the minds of the people.

The magnitude of the contribution of the CCC to American forestry has been estimated at 730,000 man-years, valued at nearly a billion dollars. The details of lookout towers, cabins, storehouses, garages, bridges, and dams built; campgrounds and recreational sites improved; miles of telephone lines, roads, trails, and firebreaks constructed, areas of trees planted and forests thinned and improved; pounds of tree seed collected, cleaned, and planted in nursery beds; man-days spent in fighting forest fires, combating forest insects, guarding and policing public campgrounds, and so forth, are impressive and challenging.

Throughout the 9 years of its existence the Civilian Conservation Corps was largely concerned with forest conservation. At the beginning its work projects were almost entirely sponsored by the Forest Service. As the program broadened, the Forest Service retained responsibility for the work programs of Federal, State, and private forestry camps and for those assigned to the Tennessee Valley Authority. In Alaska and Puerto Rico the Forest Service was responsible for camp administration as well as for the work program.

Through purchases during CCC activities, Federal forests were increased by 7,725,000 acres from 1933 to 1937. Under the stimulus of this program the acreage of State forests also increased rapidly all over the United States. These new public forests were properly developed and improved by CCC manpower.

The CCC became the main line of defense against fires, not only on public forests, but also on most of the privately owned forest land that had been organized for protection under the Clarke-McNary Act.

Less tangible, but perhaps fully as significant, was the effectiveness of the CCC in popularizing forestry throughout the Nation. Thousands of young men who served in the CCC have gone forward in other fields imbued with a sense of understanding and pride in the Nation's natural resources, ready to exert their influence for forest conservation in whatever positions they may find themselves.

Now for some details: Under my bill a Youth Conservation Organization will be established to assist in the performance or acceleration of useful work in connection with the conservation and development of the natural resources of the United States, its territories, and insular possessions, and to provide an opportunity for development through healthful employment, general education, and vocational training for youthful

citizens of the United States who are unemployed and in need of employment. At least 10 hours each week may be devoted to the general educational and vocational training phase of the program of the organization.

The bill provides for the appointment of an Administrator who is authorized to enroll no more than 300,000 enrollees at any one time. All such enrollees must be unmarried males between the ages of 17 and 23 years, both inclusive, and shall at the time of enrollment be unemployed and in need of employment.

The cost of such a program would be negligible when compared with the benefits to be derived. Enrollment will be for a period of not less than 6 months and not more than 2 years. The pay of enrollees shall be at a rate equal to that provided by law for the compensation of the lowest rank of enlisted personnel in the Army. Not more than 10 percent of the enrollees may be designated as assistant leaders or assistant foremen and shall receive pay equal to that provided by law for the lowest rank of noncommissioned officers in the Army. An additional limit of 6 percent of enrollees may be designated as leaders or foremen and shall receive not more than the compensation of the second lowest rank of noncommissioned officers in the Army.

The President of the United States will, under the provisions of my bill, be authorized to utilize the services and facilities of such departments or agencies of the Government as he may deem necessary for carrying out the purposes of this act.

I call particular attention to the fact that under my bill both publicly owned and privately owned forest land may be improved. In addition to the provisions affecting publicly owned land, the measure would also permit the Administrator to undertake needed improvements on privately owned forest land provided that the cost of such work for private parties would be paid for by such parties at the rate established by the Administrator based on the cost and the value and to the extent that the Administrator determines the work does not have public benefit.

Mr. Speaker, time does not allow me to explain all phases of my bill. But, I would like to call to the attention of my colleagues that today we are constantly having called to our attention reports about crimes involving our young people. Many of the young men who might be involved in the years ahead in similar crimes would instead be given an opportunity to perform a useful service under the proposals of my bill. The Youth Conservation Organization, when established, will, I am confident, assist in decreasing the number of crimes. Many young men between the ages of 17 and 23 would be removed from the temptations which result from idleness and lack of responsibility. Educators and law enforcement officers have long contended that our youth are lacking in discipline, responsibility, and a feeling of security—all of which contribute to delinquency and crime. The bill which I am introducing today is a step forward in preparing our young men for their rightful places in society. It is also a step forward in promoting greater interest in the development and conservation of our natural resources and in providing personnel qualified to continue the programs which will assure adequate natural resources for our future generations. Of equal importance are the great contributions to be anticipated in the improvement of forests and woodlands, of natural resources, and of recreational facilities throughout the Nation. And, I have not even mentioned the economic value of useful employment to deserving young men from needy families.

In conclusion, I am confident that a thorough study of the provisions of this bill

will leave no doubt whatsoever in the minds of my colleagues that we should make greater efforts to develop and conserve our natural resources and to maintain qualified personnel in the fields of forestry and conservation. My bill will accomplish these things, and will, at the same time, provide active training, useful employment, and proper physical development for many young men.

THE OCEANS—THE STOREHOUSE OF MANKIND

The SPEAKER pro tempore (Mr. ALBERT). Under previous order of the House, the gentleman from California [Mr. GEORGE P. MILLER] is recognized for 15 minutes.

Mr. GEORGE P. MILLER. Mr. Speaker, I should like to take a moment to address the Congress concerning a most vital matter to our very existence as a nation. This is the continuance of our position in mastery of the knowledge of the sea which has been our historical bulwark for freedom and our free world enterprise. To that end I should like to discuss briefly a subject of vital interest to our Nation; namely, "The Oceans—The Storehouse of Mankind."

The ocean contains great resources of plant and animal raw material, unknown mineral riches and colossal power reserves. The surface of the ocean, its depths and the airspace above it constitute the cheapest and shortest routes of travel. There is an interchange of moisture, heat, and carbon dioxide gas between the ocean and the atmosphere. All this has long attracted the steady attention of man. Interest in the seas and oceans is developing rapidly, at an ever-increasing rate.

It attracts investigators to the ocean bottom and to the secrets hidden on and below the bottom. If this is not a remarkable example of human love of knowledge and courage, then we have the dive made not long ago by J. Picard to the greatest depth, nearly 7 miles, in the Mariana Trench.

And I might add some noted Americans including Lt. Don Walsh should be recognized for their feats in this regard.

Many branches of science are interested in this entry into the ocean depths, including geology, geophysics, geography, biology, and geochemistry.

On the bottom lie miles-thick benthic deposits, accumulated during the entire history of the ocean. All the facts of this history are printed in the deposits as though in a great yearbook, still unread, and promising solution of many important problems.

Has the climate of the earth changed during the past billions of years of its history, or has it ever been thus? Have there been periods of uniformly warm climate on the earth, or have there always been climatic zones? Did the ocean always exist, or did it arise only during the latter periods of the life of our planet?

Did the positions of the earth's poles and of the earth's axis change, or have they always remained approximately in the same position where they are now? Are the sunken continents of Atlantis, Gondwana, and the Pacific hidden in the oceans' depths? Do continents move thousands of miles in a horizontal direction or do they always remain in exactly the same place? What is the structure of the earth's crust and its underlying layer, the mantle, which is molten?

There are serious reasons for believing that the ocean bottom may give the answers to all these questions.

Some initial data already are known. Application of the methods of seismic sounding and gravimetry have shown that the earth crust under the oceans is very thin. In the continents it is 18 to 25 miles thick, and below the oceans it is 3 to 5 miles thick.

Several years ago U.S. engineers worked out a plan for drilling through the entire thickness of deposit and through the earth's crust to the secret, molten magma. The plan, which is to be carried out within the next 4 years, provides for drilling from a large ship. Equipped with a special drilling derrick, this ship must be secured by thick cables between several anchors, placed at depths of $2\frac{1}{2}$ to 3 miles.

It is very clear that the technical concept for mastering the ocean bottom runs along the lines of designing automatic drilling equipment which may be lowered to the bottom of the ocean and may be controlled from automatic, self-propelled bathyscopes.

One thing is clear: man very quickly will become master of the ocean floor, of its secrets and its resources.

Oceans cover three-fourths of the earth's surface. To the present time man has obtained all his mineral resources from one-fourth of the earth's crust. May we think that three-fourths of the earth's crust, covered by water, is bare of mineral deposits? No; we cannot. When man has conquered the ocean bottom it is possible that prospecting and working out minerals there will be easier than on dry land.

The mineral riches of the ocean may be searched on the very surface of the bottom. For a long time it has been known that so-called ferromanganese concretions may be found there. Large quantities of these concretions cover the bottom of the White, Baltic, and Caspian Seas. Photographs of the bottom of the Atlantic and Pacific Oceans show that wide expanses also are almost completely covered with these concretions.

Their quantity sometimes reaches many tens of pounds per square yard. In the Pacific Ocean alone the area covered by concretions consists of several tens of millions of square miles and their total weight is several billion tons.

The origin of these concretions is tied to the vital activity of special types of bacteria which are able to concentrate minerals which are dissolved in insignificantly small amounts in sea water. In addition to iron and manganese, the concretions also contain nickel, cobalt, and copper.

Does man have the right to allow this really great quantity of valuable ores to lie waste, covering the floors of the oceans and seas? No; he does not. It may be stated with confidence that the coming century will be the century of the conquest and mastery of space, but also of the earth crust beneath the oceans.

These previous remarks are not mine, Mr. Speaker, but I agree with them wholeheartedly. They are an abstract of the April 10-16, 1960, issue of the Sunday Supplement to *Izvestia* and represent current Soviet thinking.

We, as a nation, should not be led in our thinking by the Soviet Government.

We have acquired vast knowledge of the sea but our efforts are lagging. We must realize the importance of our resources and not let the development of

the sea be a secondary consideration in our economy.

The problem is urgent and the time is of the essence.

To that end I am introducing legislation to effect coordination of the various departments and agencies concerned with the problems and its resources.

I earnestly hope and pray that we shall not delay all possible affirmative action in this session of Congress.

PROPOSED WHITE HOUSE CONFERENCE ON THE NARCOTICS PROBLEM

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. ROOSEVELT] may extend his remarks at this point in the body of the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, we are all aware of the narcotics problem in the United States and the threat it presents to the well-being and fulfillment of life to the youth of our country. Each of us has known, or read, of someone that has taken this singular and endless journey into drug addiction. Our newspapers, our magazines, are filled with unhappy ending stories from those whose friends or relatives have been stricken with the deadliness of this disease.

From October 1959 to June 1960 the total number of adults arrested in the State of California for narcotic violation was 12,064; of these, 8,108 took place in Los Angeles County. In California, more than 3,000 juveniles were arrested for narcotic violation during that same period of time. The Governor's special narcotics study commission found that at least 90 percent of all those convicted of selling narcotics are being released from prison in less than half the minimum term set by law, and that many of these individuals are serving time for their second conviction.

What can you do about their problem, or what can I do about their problem, when State and local agencies are working to the extent possible to lessen the depth and ramifications of the situation? One logical step is for local and State agencies to combine their efforts with Federal resources. Sixty members of the California State Assembly joined in a resolution to President Kennedy urging him to call a White House Conference on Narcotics where the matter can be fully and carefully considered on a Federal basis. In anticipation of the event, a resolution was introduced in the California State Senate to create a joint legislative committee to attend the conference.

Those who were present in the 86th Congress will remember that the House unanimously passed a resolution which I had the privilege of authoring, calling upon President Eisenhower to hold such a White House conference. The Executive took no action.

It is my understanding that the Attorney General of the United States,

Hon. Robert F. Kennedy, is presently taking the necessary planning steps toward such a proposed White House conference. It is hoped that it might be called for as early as the month of May.

My colleagues will, I am sure, join me in expressing to the Attorney General and President Kennedy our earnest hope that the plans will be successfully completed and the conference itself will make a long needed and extensive contribution to the solution of the narcotics problem.

EXPANDING AND STRENGTHENING NATIONAL DEFENSE EDUCATION ACT OF 1958

Mr. LANGEN. Mr. Speaker, I ask unanimous consent that the gentleman from Pennsylvania [Mr. KEARNS] may extend his remarks in the body of the RECORD and may include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. KEARNS. Mr. Speaker, today I am introducing a bill to extend, expand and strengthen the National Defense Education Act of 1958. I urge early public hearings on this bill inasmuch as the present act expires next year and must be extended during the current session of Congress in order to avoid interruption of the program.

Failure to extend the act would be a mortal blow to our belated efforts to strengthen our educational posture in the fields of science, mathematics, and usage of modern foreign languages. We have to face the fact that until the National Defense Education Act came into being, this Nation literally was "asleep at the switch" in preparing ourselves adequately to deal with world developments.

We can no longer tolerate our inability to converse in the languages of the world while our adversaries are proficient in all of them.

I am hopeful for both Republican and Democratic support for the provisions of my bill because under the National Defense Education Act, the Federal Responsibility, in the interest of national defense, is clear cut. Under this act, the Nation is getting specific educational products for its money—products which are urgently required in the national interest—as distinct from so-called general Federal aid propositions, which merely would scatter money across the board without identifiable educational objectives geared to defense needs.

Mr. Speaker, under unanimous consent I include in the RECORD, immediately following these remarks, background information on my bill and the National Defense Education Act.

BACKGROUND INFORMATION ON THE KEARNS EDUCATION BILL

The National Defense Education Act of 1958 expires June 30, 1962. All provisions of the act would be extended by the Kearns bill for an additional 5 years beyond the present expiration date. It is apparent that this extension is necessary if the act is to accomplish its basic objectives in the interests of national defense.

Following are some of the accomplishments under the act, together with a summary of the bill's provisions:

LOANS TO STUDENTS IN INSTITUTIONS OF HIGHER EDUCATION (TITLE II)

Accomplishments under the act

Since the first loan funds were established under the act in February 1959, both college and student participation in the program has far exceeded earlier expectations. The program has been widely welcomed and acclaimed by both the participating institutions and student loan recipients. The number of loans has increased from less than 25,000 in 1959 to an estimated 150,000 for the fiscal year ending June 30, 1961. Thus, thousands of college and university students are being enabled to pursue their education through this program.

Proposed Amendments

1. The annual authorization for loans would be increased to \$100 million. This compares with the estimate of funds to be loaned this year of \$71 million and the maximum authorization of \$90 million in the act.

2. The present annual limitation of \$250,000 for loan funds for any one institution would be increased to \$500,000. This change is necessary in order to enable the larger institutions to meet more of the demand.

3. The bill would extend the 50 percent loan forgiveness feature of the act to teachers in institutions of higher education, where under present law student loans are limited to individuals who become teachers in public elementary and secondary schools.

4. The recipients of loans, under the bill, would no longer be required to sign the anti-Communist affidavit requirement of the present act. Instead, the bill would provide criminal penalties for any recipient of a loan who subsequently is found to have been a Communist. As under present law, loan recipients would continue to be required to take the loyalty oath of allegiance to the United States. Precedent for this substitution of criminal penalties for the disclaimer affidavit is contained in provisions of the 1959 amendments to the Taft-Hartley Act and in a bill which passed the Senate in 1960, which would have amended the National Defense Education Act had it become law.

FINANCIAL ASSISTANCE FOR STRENGTHENING SCIENCE, MATHEMATICS, AND MODERN FOREIGN LANGUAGE INSTRUCTION (TITLE III)

Accomplishments under the act

This basic provision of the act has proved to be increasingly effective in assisting elementary and secondary schools to improve instruction through the acquisition of laboratory and other special equipment and materials used in science, mathematics, and modern foreign languages. The act also has resulted in a very substantial improvement and expansion of State supervisory and related services in these basic fields of education.

During fiscal year 1959, more than 10,000 laboratory and other projects for improvement of instruction in these subjects were approved by 31 States. Preliminary figures for fiscal year 1960 indicate a fivefold increase in the number of such projects, with 45 States reporting nearly 47,000 projects. Some three-fourths of the expenditures are going directly into science projects.

Some States report as much as 50 to 100 percent gains in enrollment in science and mathematics courses. The act's stimulation of supervisory services at the State level is dramatically indicated by the fact that the number of specialists in science, mathematics, and modern foreign languages had increased to 194 by December 1, 1960, as compared to only 33 such specialists in a hand-

ful of States prior to the act. This provision needs to be further strengthened.

Proposed Amendments

1. The bill would extend the provisions of this title to include instruction in English. Businessmen, government officials, college faculty, and others repeatedly have declared that our high school graduates are woefully weak in English, which is fundamental and basic to the learning process. In fact, our institutions of higher education have had to waste considerable time conducting refresher and beginner courses in English for college enrollees who were not equipped adequately to carry on a college course of study. Universal improvement in English instruction, therefore, is imperative to the objectives of the National Defense Education Act.

2. The authorization of funds for assisting in the development of State supervisory services would be increased from \$5 to \$6.5 million annually.

NATIONAL DEFENSE FELLOWSHIPS (TITLE IV)

Accomplishments under the act

Under the act's provisions, fellowships were awarded to 1,000 graduate students for study in 1959-60 and an additional 1,500 students received fellowships in 1960-61. Altogether, 138 institutions of higher education, through 472 new and expanded graduate programs, participated. Next fall, a total of 4,000 students will be studying under the act, but unless the program is extended the number will taper off after expiration of the act and fall far short of the output needed to staff our colleges and universities.

The fundamental purpose of the graduate fellowship program is to meet the increasing need for college faculty in the years ahead and, at the same time, to encourage expansion and wider geographical distribution of graduate facilities. The act is achieving these objectives in three ways:

1. The provision of fellowships to graduate students preparing for college teaching.

2. Financial assistance to colleges and universities to enable them to expand and strengthen their graduate programs.

3. By planned geographic distribution of approved graduate programs throughout the Nation.

The basic importance of this program to the Nation is quite apparent when it is realized that college faculties probably must be doubled by 1970 if the institutions are to be expected to handle the influx of college enrollment which already is on the way. Not only must the graduate fellowship program be continued, but it should be substantially enlarged over the next 5 years.

Proposed Amendments

1. Under the bill the annual number of graduate fellowships authorized would be increased from 1,500 to 2,500. There is ample evidence that the Nation's colleges can effectively absorb this proposed increase.

2. The bill would authorize the Commissioner of Education to make a uniform payment of \$2,500 per fellowship per year to each participating institution. This amendment would eliminate considerable procedural difficulty encountered under the present law which requires a determination of costs attributable to each fellow. The uniform payment proposed in the bill is a fair payment and adoption of this provision would eliminate the considerable administrative burden now imposed at both the Federal and the college and university levels.

GUIDANCE AND COUNSELING (TITLE V)

Accomplishments under the act

Fifty-four States and territories have State plans approved to carry out the provisions of this title of the act. More than 60 percent of the enrollment in secondary schools now have guidance and counseling programs approved by the States. Since the beginning of the program, there has been an estimated 50-

percent increase in the number of full-time (equivalent) secondary school counselors. This is substantial progress toward the objectives of this title, which is designed to encourage the States to expand their own programs for identifying and encouraging able students to continue in school and to pursue courses of study best suited to equip them for higher education.

Proposed Amendments

Pending further inquiry and basic justification for change in the law, the bill makes no changes but would continue the existing program as presently authorized.

LANGUAGE DEVELOPMENT (TITLE VI)

Accomplishments under the act

This title of the act is fundamental to the Nation's future security and to attainment of the language competency required by American representatives throughout the world. Few of the languages spoken by more than three-fourths of the world's population were being taught in the schools and colleges of the United States prior to passage of the National Defense Education Act. Furthermore, teaching methods, equipment and curricula were largely unsuited to national needs of our times.

Under the act, a much belated start has been made to develop our proficiency in the uncommonly taught languages of such critical areas of the world as Africa, the Far East, southeast and south Asia, the Near and Middle East, and the Soviet area. Here, the provisions of the act for language and area centers, fellowships and research have been implemented in order to accomplish the objectives of the act.

During the first 2 years of operation, the conduct of 58 institutes for upgrading the modern language teaching abilities of 3,200 elementary and secondary school teachers has produced highly encouraging results. Also, as a beginning, 643 fellowships were awarded for graduate study in the uncommonly taught languages. There is strong justification for continuing and substantially expanding this program.

Proposed Amendments

1. The bill would increase the annual appropriation authorization for language and area centers and research from \$8 million to \$12 million.

2. The annual authorization for the operation of language institutes would be increased from \$7.25 million to \$10 million.

3. Teachers of modern foreign languages in institutions of higher education would be authorized to attend language institutes and the establishment of institutes for elementary and secondary teachers of English would be provided for. The inclusion of English is necessary to the accomplishment of the purposes of the act because, on the whole, our youth are generally deficient in this subject. This results in large measure from the present weak state of preparation among elementary and secondary schoolteachers of English. A 1960 survey revealed, for example, that only 40 to 60 percent of today's high school English teachers have majored in their subject in college.

EDUCATIONAL MEDIA (TITLE VII)

Accomplishments under the act

Since the beginning of the program the provisions of this title have provided grant support for 115 separate research projects dealing not only with educational use of television and motion pictures, but also with a wide range of new educational equipment and other media. The advance of this program under the act is basic to improving our educational processes at all levels of learning.

Proposed Amendments

The bill would increase the annual authorization for these purposes from \$5 million to \$6 million for the first 2 years of the

5-year extension of the act and to \$7 million for the last 3 years. These additional funds would be provided for the conduct of demonstration projects which would show the uses and effectiveness of new techniques and new educational media. Funds granted under the present authorization have gone into the support of research and additional funds are needed if the results of the research are to be wisely effectuated.

AREA VOCATIONAL PROGRAMS (TITLE VIII)

Accomplishments under the act

Under the provisions of this title, which was an amendment to the Vocational Education Act, vocational programs to prepare technicians are offered in all the States. Due to the national need for technicians and supporting personnel in a variety of technical fields, this program should be continued.

Proposed Amendments

The bill would not change the existing law. The present act authorizes an annual appropriation for this purpose of \$15 million. Thus far, however, annual appropriations have not exceeded \$9 million. Therefore, at this time no change in the program or the authorization is recommended.

MISCELLANEOUS PROVISIONS (TITLE X)

Section 1009 of this title authorizes Federal assistance to the States for the improvement of statistical services of the State educational agencies. From the long-range point of view, this is one of the most important provisions of the act. Without strong support for statistical services, the States and local school boards, as well as the Congress and Federal executive agencies will continue to be without adequate facts upon which to base educational policy.

The collection of information about education is a task of enormous dimensions. Our State and private educational systems embrace approximately 50 million students enrolled in at least 36,000 operating school districts, in over 17,000 private and denominational schools and in about 2,000 institutions of higher education. These systems require over 1,600,000 teachers and spend annually a total of about \$24 billion.

Because the operational responsibility for public education rests in the States, and because the Federal Government is dependent upon intermediate sources for most of its information, the State educational agency is the focal point in meeting local, State and national needs.

Accomplishments under the act

A total of 45 States were participating under this program in fiscal year 1960. However, encouraging though the start of the program has been, progress is not rapid enough to overcome continuing and serious deficiencies in the collection, tabulation, and reporting of basic educational information on a timely basis. Not only should this provision of the act be extended, but it should be substantially strengthened. In fact, it appears that accomplishment of truly modern and adequate State systems of educational information at the present rate of development may well require another 20 years or more.

Proposed Amendments

The bill would authorize the appropriation of \$2.5 million annually for assistance to the States for the purposes of this program, to be allotted on the basis of relative school-age population and to be matched by a like amount of State funds. The bill provides, however, that the payment to any State under this allocation would not be less than \$25,000. When a State has fully matched its total Federal payment, then it would be entitled to an additional Federal support grant of \$50,000. Provision of this basic support grant is in recognition of the burdensome educational reporting requirements imposed on the States by the Federal Gov-

ernment under the provisions of existing law. Yet the bill would require the States to take concerted action in view of their own requirements for educational information and thereby sustain a minimum basic educational data system before being given the Federal support grant for further expansion. Enactment of this provision would greatly accelerate the completion and improvement of the State data systems, especially in numerous States that are far behind in the installation of modern methods and machines.

FEBRUARY 12: BIRTHDAY OF THADDEUS KOSCIUSKO

Mr. LANGEN. Mr. Speaker, I ask unanimous consent that the gentleman from Massachusetts [Mr. CONTE] may extend his remarks in the body of the RECORD.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. CONTE. Mr. Speaker, on February 12, was celebrated the birthday of a great Polish patriot, Thaddeus Kosciuszko. Not only is his memory revered among the Polish people but we, too, join in this tribute to a man whose love for the cause of liberty spanned two continents.

His unshakable faith in the ideals of independence and his fervor in participating in its struggles, motivated this courageous man to come to our shores and give without reservation his soldierly services in our War of Independence.

Indeed, today it seems a travesty when you consider that the cause of freedom, the prime purpose and dedication of Kosciuszko's life, in his native Poland for which he gave so much, should be under the rule of men whose professed political and philosophical principles are the very antithesis to those in which Kosciuszko believed.

I am certain, however, that the identical spirit which moved him still lives among the great people of Poland and that his memory will sustain the hope and stoke the fire of freedom in his native land. For Kosciuszko is not only a hero to his own people or to us, but is an example of strength, fearless courage, and patriotic love of liberty to men the world over who cherish the same ideals.

It was men of like spirit who conceived and fought to establish this great Nation of ours, and Thaddeus Kosciuszko was among them in the forefront of the struggle because he believed in the ideals of our founders and saw that America was the hope of their eventual fruition.

He returned to Poland, after the success of our revolution, to give himself to the same cause for his people. Until the last day of life, he dedicated himself tirelessly to the struggle for independence.

We join with those who believe in liberty in paying our tribute to the memory of this great man, his dedication, faith, and accomplishments. We in America, especially, shall ever remain grateful for his contributions to our successful effort. Above all, in honor of this great man, we rededicate ourselves to the cause of liberty wherever men are struggling to achieve it, and with the

great people of Poland we join their hopes for the day when they will be able to enjoy a total fulfillment of the ideal and faith of Thaddeus Kosciuszko.

THERE IS A DEFENSE

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Pennsylvania [Mr. FLOOD] is recognized for 30 minutes.

Mr. FLOOD. Mr. Speaker, as we move into the 1960's with the New Frontier, I view the present international situation with great concern. And I am alarmed by the fact that many, in fact too many, people and nations still do not recognize the graveness of the threat of international communism to individual and national freedoms. The Soviet promises of coexistence and offers of economic and technical assistance are not consistent with deeds of the past and present. The Communist actions in Cuba and Laos are ample proof that the Soviet goal is still world domination by any means. For those who are willing to examine the facts the Red-written record is clear—and it has been starkly clear since the first unfurling of the Communist banner against God and man. Whether Red tactics change daily, monthly, yearly, or for each U.S. administration, I can assure you that the goal of world domination remains foremost.

Whether we want it or not, Christian civilization and communism are locked in a struggle to the finish. In this struggle there can be no status quo, and containment at best is only a temporary measure. Recorded history is replete with epitaphs of nations who were satisfied to bask in domestic prosperity and trust in a status quo. The periods of history that we all remember are those in which mankind exerted heroic efforts, usually with great sacrifices, to advance our civilization and the institutions of a free society.

As we move into the 1960's we must be alert to the changing tactics of communism which now run the gamut from the threat of general war to economic competition for world markets to psychological battle for control of men's minds and actions. If we are alert and strong economically, intellectually, morally, and militarily, we will continue to be the leader of the free world in this struggle to keep men, societies, and nations from becoming enslaved by Communist dictatorship. Communism is truly dictatorship by a small group of selfish individuals, and for the subjugated is as vicious as any dictatorship the world has known.

Whether the future brings general war, limited war, or only continuing international tension depends upon whether we, as a nation, face the facts now and are prepared to accept the challenges which are sure to continue. All new incidents initiated by the Soviet leaders occur only after exhaustive study and analysis of our political, economic, and military postures. The free world is constantly under close scrutiny for any weakness or soft spot that can be exploited. As a citizen of the United

States I am vitally interested in all aspects of this problem. But, because of my service on the Subcommittee for Defense of the Appropriations Committee, I will limit my remarks today to only the military aspects. However, before doing so, let me state that I recognize the political, economic, and military aspects of a sound foreign policy are linked. And that a chain is no stronger than the weakest link.

It is clear to me that Soviet military action, and I include in this category the actions of the satellites and other peoples in the Communist bloc, are based upon the answers to two very simple questions.

First, will the Communist attack be successful?

And, second, will the Communist losses in retaliation be prohibitive?

The Communist leaders, as with other dictators, can retain control of enslaved peoples only by avoiding defeat of their armed forces. They recognize, as well as you and I, that their regimes could not survive if the subjugated peoples had a free choice. Therefore, to perpetuate this godless monster, victories are needed, status quo for short periods is acceptable, and defeats must be avoided at all costs.

It is also clear to me that we have the opportunity, if we are willing to recognize it and to accept it, to insure peace for the future. I am convinced that if the Soviet leaders realize that their attacks, regardless of size or location, will fail, and their losses, even to satellites, will be prohibitive, then peace will continue. As the leader of the free world, it is our responsibility to insure that the capability to accomplish these actions are in being, and that the leaders of the Soviet-Sino bloc are fully aware of these capabilities.

Our means for retaliation, in the event of an all-out general war, obviously have been adequate for several years. The Polaris and nuclear-powered submarines and ICBM missiles have improved the versatility of these forces. Present plans for these forces appear to be adequate for the immediate future, so I will not comment on them further at this time.

Our capability for retaliation or intervention, in event of limited armed conflict for many areas of the world, has been less than adequate. The announced procurement of additional airlift is a welcomed improvement in this capability. Modernization of the equipment and materiel for these forces must be done also before we will have the capability that I think is required.

Today, I want to call your attention to one facet of the problem of general war that has been neglected too long.

From our previous experiences with dictatorships, we know that an attack on this country can be launched at any time and any place. In fact it could occur now. Under these conditions, in this era of ICBM's and submarine-launched ballistic missiles and shrinking distances, a defensive capability assumes the same importance as the ability to retaliate, if we are to survive. In fact,

the nation that first develops and deploys an adequate defense against intercontinental or submarine-launched ballistic missiles will enjoy a significant strategic advantage. If such a defense is first developed by Russia, we can expect extensive offensive military action or ballistic blackmail. The Soviets will no longer depend upon economic, political, psychological, or limited war offensives to attain their goals.

The Soviets recognize the strategic advantage of such a defense, and I am sure have allocated a high priority to its development. With their demonstrated abilities, I am sure that in time they will develop such a system. The question is, Will they be first? The question becomes even more critical to us, when we consider the rapid spread of nuclear and missile knowledge to countries other than the United States and the U.S.S.R.

Today, Russia and the West are exploring all advances in technology for possible military application in the search for an advantage in military posture. With the masses of manpower available to the Soviet-Sino bloc, we cannot stumble in this race. There is no consolation prize. For the survival of humanity, we must exploit every possibility of maintaining peace in the years ahead.

For that reason, I feel strongly that our Nation needs and must have as soon as possible, an adequate defense against ballistic missiles. Anyone who is willing to review the facts will reach the same cold sobering conclusion.

My purpose is not to present only the problem. After extensive review, I feel that a solution is within our grasp. And, I know that you share with me the earnest desire to move ahead without delay. Because if we can improve our military posture we will automatically assist our diplomatic efforts.

May I remind you that the same Army-industry team which successfully developed the currently operational Army air defense weapons systems—the Nike-Ajax and Nike-Hercules—have not been sitting idly by.

Nike-Ajax was America's first guided missile system to defend key cities, defense installations, and our people from air attack. Next came the greatly improved version—Hercules—mighty master of the manned aircraft in any operational atmosphere—effective in its defensive capability above and beyond 100,000 feet. Hercules, you may recall, has also destroyed incoming Army missiles in test flight.

This same dependable team has, in an advanced stage of development, Nike-Zeus—a third generation of this family. The Nike-Zeus antimissile missile, is the only weapon system in the free world being designed specifically to counter the threat of a Red-triggered nuclear ICBM hailstorm. The best scientific and engineering talent of the Army, Western Electric Co., Bell Telephone Laboratories, Douglas Aircraft, Sperry Rand, and many other outstanding firms, have been allocated the development of this advanced weapons system. And from the many successful component tests today, it is evident that the concept has been

proven, and the system is now ready for component production.

I am convinced that Nike-Zeus can provide the defense which we need to meet and defeat the intercontinental ballistic missile threat. Components of the Nike-Zeus system have been developed and tested in accordance with a schedule established about 3 years ago. Major elements including the missile itself have been tested successfully. The results are adequate testimonial to the competence of all participants.

The critical question now is, How soon can we get the Nike-Zeus into production and deployed to provide the defense that is mandatory? We have already lost valuable time by delaying component production, a risk we can no longer take.

You may well ask, Why should we start component production now? The answer is; it saves money and it saves time.

By spending money now to provide a capability for the production of components in quantity, we will save money in the long run. These components are expensive when only a few are made by hand. When produced in quantity, components cost is reduced and they are weapon and equipment programs.

The ballistic missile threat dictates that we reduce lead time to an irreducible minimum. The transition from development to deployment on the sites begins with component production. A delay in the decision for component production will make it more difficult to keep the Army-industry team and facilities together so that an operational system can be fielded, and it will greatly increase the time we will be without an adequate defense.

With authority and money, the Army can start component production without delay. The Army and industry have done a splendid job in developing this system, but its future now rests in our hands.

For those critics who would whisper caution until the complete system has been tested, I have this observation. We have many fine missile weapons in our arsenal, and we had them early because we did not wait for a complete test of each system. We had confidence in the men who said the systems would work. History has proven our confidence was not misplaced. These same scientists and engineers have the same high praise for the potential of Nike-Zeus. We should not question their ability now.

You may well ask, How much will Nike-Zeus cost? We can have Nike-Zeus protection for less than the cost of rebuilding a single city or industrial complex. The cost is comparable with the cost of other weapons systems developed in the past. These facts together with the human lives that may be spared leave no alternative. The answer is clear and emphatic, we must start production of the Nike-Zeus now.

I cannot urge this more strongly, as an individual American, as a citizen of this mighty Republic, as a Member of this Congress answerable to our people for the security of our Nation.

Reflecting the evidence of readiness to commence limited production of proven components in the Zeus system are the

words of the Army's great Chief of Research and Development, Lt. Gen. Arthur G. Trudeau:

Progress in all phases of development has been achieved on schedule. The proved Zeus booster motor produces about a half million pounds of thrust. This is the most powerful, single, solid-propellant motor in existence in the free world today. With this initial thrust, the Zeus missile is able to reach extremely high altitudes in a matter of seconds.

Mr. Speaker, General Trudeau's statement appears in the current issue of one of American industry's outstanding publications, *Sperry'scope*, the quarterly published by Sperry Rand Corp., a member of the fine Army-industry team which has created the Zeus antimissile missile.

Under unanimous consent I include the article, a short informative question-and-answer exchange between the editors and General Trudeau, at this point in the *RECORD*.

NIKE-ZEUS: ARMY'S MISSILE KILLER

Question. General Trudeau, can you provide us with some background information on the Zeus program? How did it get started?

Answer. As early as 1946, the Army recognized the requirement for a defensive system to cope with the arising ballistic missile threat. By 1955, the state of the art in defensive surface-to-air missile systems had advanced to the point where the feasibility of developing a ballistic missile defense system was indicated. In addition, advances in the development of the longer range ballistic missiles by now gave reality to the enemy missile threat; even the most skeptical were convinced. In light of these considerations, the Army, in 1955, initiated a study to determine the feasibility of developing an antimissile missile system capable of intercepting and neutralizing the spectrum of the ballistic missile threat. The study of considerable magnitude and detail was conducted by the Bell Telephone Laboratories, which utilized their previous experience in developing Nike surface-to-air missiles. The results of this study indicated that such a system development was feasible, and thus the Nike-Zeus project was initiated. Actual design of the system was begun in early 1957, and as a result of an orderly, high-priority program, the Nike-Zeus is today in the advanced stages of development.

Question. What is the basic concept of the Zeus system?

Answer. Like its predecessors in the Nike family, Zeus is designed to provide a defense of 360° and to extremely high altitudes. The system will utilize the command guidance system of operation, but with a greatly enhanced capability as compared with that of Nike-Ajax and Nike-Hercules. The Nike-Ajax and Hercules systems are designed primarily to cope with the aerodynamically supported air and missile threats, while the Zeus has been designed to kill ballistic missiles, including the intercontinental ballistic missile (ICBM), the submarine- or surface-launched intermediate range ballistic missile (IRBM), and the air-launched ballistic missile.

To detect, acquire, and destroy a target as small and fast as the ICBM requires a great advance in the state of the radar art. To accomplish these jobs the Zeus employs several radars, including an acquisition radar, a target track radar, a discrimination radar, and a missile track radar. In addition to the radar equipment, there are a set of high-speed computers, the Zeus missile with its guidance package and warhead, and the necessary communication links to connect and control these items.

The Zeus acquisition radar is capable of automatically scanning the entire visible sky for ranges of several hundred miles. To reach out to these distances, new radar designs and power levels have been used. The acquisition radar receiver does not employ the familiar dish-type antenna but has adapted to radar certain optical principles that permit the focusing of radar signals from small, distant nose cones.

Once the acquisition radar has acquired the incoming ICBM warhead and established a course location, it transfers the incoming target to other, more precise, radars which refine the location of this small target. This refined target information is used in conjunction with information provided by the high-speed computers at the battery on the position of the Zeus missile as it travels along its course. The commands generated at the battery on the basis of this information are transmitted to the Zeus missile, by means of the missile-tracking radar, to direct the missile to intercept the enemy nose cone and to neutralize the enemy warhead at an extremely high altitude. The entire operation is continuous and automatic. A high degree of automaticity is required for the reason that the high velocity of the threats permits only a few minutes from acquisition to target kill.

Question. How will Zeus cope with the decoyed target, General?

Answer. It has been postulated that a potential enemy could use decoy devices to confuse the Zeus system. To do this, he must pay a price in complexity and weight, and he also is limited by certain other physical boundaries. To cope with this threat, the Zeus includes a discrimination system designed to filter the real warheads from the decoys. Zeus will then attack those targets identified as warheads and will not waste fire power on those targets identified as decoys.

Question. Where and how will the Zeus be tested?

Answer. Nike-Zeus will be field tested at four principal sites: Ascension Island in the Atlantic; White Sands Missile Range, N. Mex.; Point Mugu, Calif.; and at Kwajalein Island in the Pacific. To distort an often-used phrase of another era, "The sun never sets on the Zeus test program." Testing over this wide geographic expanse of course necessitates an extensive and orderly program with complex delivery and construction schedules. Each of these test sites, however, plays a necessary, timely, and progressive role in both the test and development of the system.

At Ascension Island, the Zeus radars will be exercised against the real ICBM/IRBM targets launched from Cape Canaveral, Fla.

The White Sands Missile Range installation provides a domestic, full-system installation that will be used for the testing of all types and as a component proving ground. The size of this range, of course, limits the range and types of targets we can destroy with the Zeus. It's a paradox of this age of long-range missile artillery that we seem to be always short of terrestrial geography to accommodate our weapons.

Because of this shortage of space, the longer range Zeus tests will be conducted at Point Mugu, Calif., and at Kwajalein Island. An extensive firing program is scheduled from the Point Mugu installations to be conducted over the Pacific Missile Range. This program will permit the Zeus to simulate long-range ballistic missile engagements.

At Kwajalein, a complete Zeus system is under construction to be tested against Atlas ICBM's launched by the Air Force from Vandenberg Air Force Base. At this site, Zeus will engage these targets under the realistic conditions that would be encountered in an actual ICBM nuclear attack on this country.

This, then, is the Zeus test program.

Question. What is the status of the development of Zeus? Are the necessary advances in the state of the art being accomplished? Are you on schedule in its development?

Answer. The necessary advance in the state of the radar art required by the Zeus system is being accomplished. Most of the components of the system have been engineer tested, and most major subassemblies are undergoing test now. Progress in all phases of development has been achieved on schedule. Typical of the program's achievement to date is the progress in Nike-Zeus missile design. Each stage of the Nike-Zeus has been repeatedly and successfully static test fired. A preliminary firing program conducted at the White Sands Missile Range has been successfully completed. As a result of this firing program, and an associated engineering effort, it has been possible to improve the design of the Zeus missile to increase further its performance.

The proved Zeus booster motor produces about a half-million pounds of thrust. This is the most powerful single solid-propellant motor in existence in the free world today. With this initial thrust, the Zeus missile is able to reach extremely high altitudes in a matter of seconds. A firing test program for the improved missile design is currently in progress at White Sands.

Other major components such as the missile launchers, the acquisition radar facilities, and portions of the battery equipment have been installed at White Sands; and additional installations are proceeding on schedule that will permit subsequent tests at that site.

The tactical launcher is an underground silo. This launcher design has been proved by a successful firing test at White Sands.

The White Sands acquisition radar facility consists of a large, triangular transmitter antenna mounted on the roof of a one-story building and a separate plastic sphere receiver antenna approximately eight stories high. Tests of this radar are in progress.

Radar tests at Ascension Island and firing tests at Point Mugu will soon begin. Construction of the Kwajalein site is well advanced.

To summarize, we are on schedule. Although we have our problems, we are most pleased with our progress to date.

Question. Will the Zeus have a high order of reliability?

Answer. Yes, indeed. In addition to major operational advances, the Zeus system has made significant advances in the realm of reliability. The transistors employed in the various electronic components are an example of this reliability improvement. If the vacuum tubes in a television set were as reliable as these transistors, there would be no tube failure for a period of operation of 70 years. The reliability of the major components is characterized by that of the high-speed computers, which have an average failure-free operating period 10 times better than that of any other known computer, military or civilian, now in existence.

PANAMA INTRIGUE: STATE DEPARTMENT MISUSE OF APPROPRIATIONS

Mr. FLOOD. Mr. Speaker, in addresses to the House on July 1 and September 1, 1960, also on January 6, 1961, about Panama intrigue, I included the texts of an exchange of letters with the Department of State concerning the raising of the Panama flag in the Canal Zone.

In this connection, I wish to remind the House, especially new Members who may not be familiar with the history of the disgraceful incident in the U.S. his-

tory, that this distinguished body, after a notable debate on February 2, 1960, passed by the overwhelming vote of 381 to 12, House Concurrent Resolution 459. The purpose of this resolution, adopted pursuant to recommendations of the Committee on Foreign Affairs after extensive hearings, was to prevent such display unless authorized by treaty. See House Report No. 2218, 86th Congress, August 31, 1960.

The House did not stop there. On February 9, 1960, it approved the Gross amendment to the Department of Commerce appropriation bill, which provision was embodied in the law. This amendment provided that no part of the Department of Commerce appropriations, which include the Panama Canal enterprise, should be "used to construct a flagpole, platform, or any other device for the purpose of displaying the flag of Panama in the Canal Zone, the sovereign control of which is vested in the U.S. Government by virtue of longstanding treaty." Could there be anything more definite than this law?

As I have previously pointed out on various occasions, the ill-advised order by the President on September 17, 1960, directing display of the Panama flag in the Canal Zone territory was a contemptuous disregard of the specific intent of the Congress, raising constitutional issues of the gravest importance that should not be overlooked but met head on.

In view of the intended prohibition by the Congress against the use of Department of Commerce appropriations for such purpose, I wondered what source of funds covered the cost of constructing the flagpole in Shalu Triangle in the Canal Zone on which the Panama flag was hoisted, and found out.

Mr. Speaker, it was not the Panama Canal enterprise, the appropriations for which come under the Department of Commerce, but the Department of State. Moreover, the Department of State paid \$1,533.24 to cover the cost of erecting that flagpole in the territory of the Canal Zone over which the United States exercises exclusive sovereignty in perpetuity pursuant to treaty.

That misapplication of Government funds was not only a violation of the specific intent of the Congress, but raises further questions as to the subversive influences in the Department of State.

Mr. Speaker, I would like to emphasize that those in the executive branch who were responsible for such use of Government funds to defray the expenses of displaying the Panama flag in the Canal Zone were guilty of trickery and subterfuge of the most pronounced character.

The action of the Congress in denying use by the cognizant agency directly involved, the Department of Commerce, for the indicated purpose was thus bypassed by the Department of State.

Certainly, Mr. Speaker, there could not be more flagrant departure from the constitutional separation of powers of the executive and legislative agencies of our Government than is involved in this incident. The action now complained of would, by every proper test, justify impeachment of the responsible parties.

In substance and effect, the action of the Department of State officials involved in the case are just as reprehensible as if the Panama flag were thus displayed by the use of directly appropriated funds for the operation and maintenance of the Panama Canal itself. I am sure that any informed court of our country, if the matter were brought before it, would so hold.

If the State Department officials are permitted to go unchallenged on this matter, the precedent they established may lead to a standard practice on their part to disregard the specific actions and policies of the Congress and the destruction of its constitutional powers. When the camel's nose gets into the tent, its body soon follows.

The letter referred to above follows:

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, D.C., January 25, 1961.

HON. WILLIAM L. DAWSON,
Chairman, Committee on Government Operations,
House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: Information has been received to the effect that the Department of State paid \$1,533.24 to cover the cost of erecting the flagpole to display the Panama flag over the Canal Zone.

In view of the express intent of the Congress to deny such expenditure by passage of the Gross amendment to the last Department of Commerce Appropriation Act, it would seem that this incident is an appropriate subject for investigation in the current inquiry into subversive influences in the Department of State.

Sincerely yours,

DANIEL J. FLOOD,
Member of Congress.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. SKES for 20 minutes on Thursday, February 16.

Mr. DENT (at the request of Mr. McCORMACK) for 1 hour on Wednesday next.

Mr. FLOOD for 30 minutes today in two parts, in one to speak on the subject of "National Defense" and in the other on "Panama," and to revise and extend his remarks and to include extraneous matter.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. WALTER and to include extraneous matter.

Mr. ASPINALL and to include a speech by the Honorable Stewart Udall.

Mr. DORN in two instances and to include extraneous matter.

Mr. FLOOD and to include a statement.

Mr. VAN ZANDT in two instances.

Mr. PELLY.

(At the request of Mr. McCORMACK, the following Members were granted permission to extend their remarks in the CONGRESSIONAL RECORD and to include therein extraneous matter:)

Mr. FISHER.

Mr. ZABLOCKI.

(At the request of Mr. LANGEN, the following Members were granted permission to extend their remarks and include extraneous matter in the CONGRESSIONAL RECORD:)

Mr. HOSMER.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 21 minutes p.m.), under its previous order, the House adjourned until Wednesday, February 15, 1961, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

552. A communication from the President of the United States, relative to requesting the Attorney General to submit to the Congress legislation to create 59 additional Federal judgeships; to the Committee on the Judiciary.

553. A communication from the President of the United States, transmitting a report by the Civil Service Commission relating to a review of progress in employee development activities entitled, "Training of Federal Employees, Fiscal Year 1960," pursuant to Public Law 85-507; to the Committee on Post Office and Civil Service.

554. A letter from the Comptroller General of the United States, transmitting a report on the review of selected insurance operations of the Veterans' Administration (VA) under the national service life insurance and U.S. Government life insurance programs for the fiscal year 1959; to the Committee on Government Operations.

555. A letter from the Comptroller General of the United States, transmitting a report on the audit of the revolving fund, Small Business Administration (SBA), for the fiscal year 1959; to the Committee on Government Operations.

556. A letter from the Chairman, Interstate Commerce Commission, transmitting copies of final valuations of properties of certain carriers, pursuant to the Interstate Commerce Act; to the Committee on Interstate and Foreign Commerce.

557. A letter from the Acting Chairman, U.S. Atomic Energy Commission, transmitting errata to the Annual Report of the U.S. Atomic Energy Commission for 1960, which was recorded as executive communication No. 503, dated January 30, 1961; to the Joint Committee on Atomic Energy.

558. A letter from the Attorney General, transmitting a draft of a proposed bill entitled "A bill to provide for the appointment of additional circuit and district judges, and for other purposes"; to the Committee on the Judiciary.

559. A letter from the Director, Administrative Office of the U.S. Courts, transmitting a draft of a proposed bill entitled "A bill to provide for the appointment of additional circuit and district judges, and for other purposes"; to the Committee on the Judiciary.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. KING of California:

H.R. 4222. A bill to provide for payment for hospital services, skilled nursing home services, and home health services furnished to

aged beneficiaries under the old-age, survivors and disability insurance program, and for other purposes; to the Committee on Ways and Means.

By Mr. ANFUSO:

H.R. 4223. A bill to provide for the construction of a permanent museum of science and industry at the New York World's Fair of 1964, and for other purposes; to the Committee on Foreign Affairs.

By Mr. BARING:

H.R. 4224. A bill to provide for loans to veterans when housing credit is otherwise not generally available, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 4225. A bill to prohibit discrimination because of age in the hiring and employment of persons by Government contractors; to the Committee on the Judiciary.

By Mr. BENNETT of Florida:

H.R. 4226. A bill to assist in training an adequate number of physicians, osteopaths, and dentists to meet the health needs of this Nation by establishing a program of grants for the construction of medical and dental educational facilities and for scholarships for medical and dental students, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. BOGGS:

H.R. 4227. A bill to authorize hospitalization in civil hospitals for retired members of the armed services under group insurance sick and accident policies, based on specified payment of premiums from retired pay; to the Committee on Armed Services.

By Mr. BONNER:

H.R. 4228. A bill to provide a flexible rate of interest for Government financing under the Merchant Marine Act, 1936, and for other purposes; to the Committee on Merchant Marine and Fisheries.

H.R. 4229. A bill to amend the Coast and Geodetic Survey Commissioned Officers Act of 1948, as amended, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. BONNER (by request):

H.R. 4230. A bill to provide for reimbursement of the Treasury by the Panama Canal Company for the annuities paid to the Republic of Panama, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. BROWN:

H.R. 4231. A bill to promote the public interest by amending the Communications Act of 1934 to provide for regulation of national networks, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 4232. A bill to amend the Communications Act of 1934 to assure accurate presentation of views expressed in recorded interviews and discussions on issues of public importance by prohibiting the broadcast by radio or television of recordings of such interviews or discussions which have been altered without the consent of participants in such interviews or discussions; to the Committee on Interstate and Foreign Commerce.

By Mr. CUNNINGHAM:

H.R. 4233. A bill to amend section 1461 of title 18 of the United States Code with respect to the mailing of obscene matter to minors, and for other purposes; to the Committee on the Judiciary.

By Mr. JAMES C. DAVIS:

H.R. 4234. A bill to amend title 38, United States Code, to provide for the payment of pensions to veterans of World War I; to the Committee on Veterans' Affairs.

H.R. 4235. A bill to repeal the excise tax on amounts paid for communication services or facilities; to the Committee on Ways and Means.

By Mr. DAVIS of Tennessee:

H.R. 4236. A bill to provide that amounts paid for music program services shall be

exempt from the Federal excise tax on communications; to the Committee on Ways and Means.

By Mr. DENT:

H.R. 4237. A bill to amend the Federal Coal Mine Safety Act in order to remove the exemption with respect to certain mines employing no more than 14 individuals; to the Committee on Education and Labor.

By Mr. DINGELL:

H.R. 4238. A bill to amend title II of the Social Security Act to increase all benefits payable under the old-age, survivors, and disability insurance program by 10 percent; to the Committee on Ways and Means.

By Mr. DORN:

H.R. 4239. A bill to amend section 2(a) of the Railroad Retirement Act of 1937 to provide increased retirement benefits for certain individuals who have attained the age of 60 and who have completed 30 or more years of service creditable under that act; to the Committee on Interstate and Foreign Commerce.

By Mr. DOYLE (by request):

H.R. 4240. A bill to repeal the excise tax on amounts paid for communication services or facilities; to the Committee on Ways and Means.

By Mr. FINO:

H.R. 4241. A bill granting to persons in the classified (competitive) civil service the right to a hearing before removal or suspension, and the right to a judicial review of a removal or suspension; to the Committee on Post Office and Civil Service.

By Mr. FLOOD:

H.R. 4242. A bill to provide chiropractic treatment when requested for veterans eligible for outpatient medical care; to the Committee on Veterans' Affairs.

By Mr. GUBSER:

H.R. 4243. A bill to exempt regular and classified substitute employees in post offices of the first, second, and third classes from residence requirements governing appointment and service for postmasters at post offices to which such employees are assigned; to the Committee on Post Office and Civil Service.

By Mr. HARRISON of Wyoming:

H.R. 4244. A bill to amend section 35 of the Mineral Leasing Act of 1920 with respect to the disposition of the proceeds of sales, bonuses, royalties, and rentals under such act; to the Committee on Interior and Insular Affairs.

H.R. 4245. A bill to impose additional duties on excess imports of certain live animals, meats, and meat products; to the Committee on Ways and Means.

By Mr. HARVEY of Indiana:

H.R. 4246. A bill to establish a cropland adjustment program; to the Committee on Agriculture.

By Mr. HÉBERT:

H.R. 4247. A bill to establish an Armed Forces Medical, Dental and Allied Sciences Academy; to the Committee on Armed Services.

By Mr. HOSMER:

H.R. 4248. A bill to amend title II of the Social Security Act to increase the amount of outside earnings permitted each year without deductions from benefits, and to reduce an individual's earnings for purposes of such deductions in any year by the amount of his medical expenses for such year; to the Committee on Ways and Means.

By Mr. HUDDLESTON:

H.R. 4249. A bill to provide for the establishment of a national cemetery in Jefferson County, Ala.; to the Committee on Interior and Insular Affairs.

By Mr. JOHNSON of California:

H.R. 4250. A bill to amend title 23 of the United States Code to provide for the payment of certain improvements on lands of the United States taken for rights-of-way on the Interstate System; to the Committee on Public Works.

By Mr. KEARNS:

H.R. 4251. A bill to amend the Housing Act of 1949 to provide for the preservation or restoration of housing and certain other structures in urban renewal project areas, where such housing or other structures are not substandard or can be restored to good condition; to the Committee on Banking and Currency.

H.R. 4252. A bill to amend the District of Columbia Redevelopment Act of 1945 to provide for the preservation or restoration of housing and certain other structures in the District of Columbia, where such housing or other structures are not substandard or can be restored to good condition, and for other purposes; to the Committee on the District of Columbia.

H.R. 4253. A bill to extend for 5 years the educational programs provided for in the National Defense Education Act of 1958, with changes designed to expand and strengthen certain of such programs; to the Committee on Education and Labor.

H.R. 4254. A bill to provide increased employment by stimulating a new industry of home improvement, to help cities combat blight and help the Federal Government gain more tax revenue, and to ease the tax burden on individual homeowners who renovate or rehabilitate their homes, by amending the Internal Revenue Code of 1954 so as to allow a deduction for expenses incurred by a taxpayer in making repairs and improvements to his residence and to allow the owner of housing to amortize at an accelerated rate the cost of its rehabilitation or restoration; to the Committee on Ways and Means.

By Mr. KEOGH:

H.R. 4255. A bill to reduce the manufacturers excise tax on self-contained air-conditioning units; to the Committee on Ways and Means.

By Mr. KOWALSKI:

H.R. 4256. A bill to provide for recognition of Federal employee unions and to provide procedures for the adjustment of grievances; to the Committee on Post Office and Civil Service.

By Mr. MCINTIRE:

H.R. 4257. A bill to establish a cropland adjustment program; to the Committee on Agriculture.

By Mr. GEORGE P. MILLER:

H.R. 4258. A bill to exempt regular and classified substitute employees in post offices of the first, second, and third classes from residence requirements governing appointment and service of postmasters at post offices to which such employees are assigned; to the Committee on Post Office and Civil Service.

By Mr. MOORHEAD of Pennsylvania:

H.R. 4259. A bill to relieve hardship for displaced families and businesses by assisting in their relocation and by providing them with mortgage financing under a new low-rent private housing program, and for other purposes; to the Committee on Banking and Currency.

By Mr. O'NEILL:

H.R. 4260. A bill to repeal the excise tax on amounts paid for communication services or facilities; to the Committee on Ways and Means.

H.R. 4261. A bill to provide a termination date for the excise tax on amounts paid for communication services or facilities; to the Committee on Ways and Means.

H.R. 4262. A bill to repeal the excise tax on amounts paid for local telephone service; to the Committee on Ways and Means.

By Mr. POAGE:

H.R. 4263. A bill to provide for a national cemetery at or near Fort Hood, Tex.; to the Committee on Interior and Insular Affairs.

By Mr. PUCINSKI:

H.R. 4264. A bill to authorize the establishment of a Youth Conservation Corps

to provide healthful outdoor training and employment for young men and to advance the conservation, development, and management of national resources of timber, soil, and range, and of recreational areas; to the Committee on Education and Labor.

By Mr. ROBERTS:

H.R. 4265. A bill to amend the Railroad Retirement Act of 1937 to provide that benefits payable under such act or the Railroad Retirement Act of 1935 shall not be considered as income in determining eligibility of individuals for benefits from the Veterans' Administration; to the Committee on Interstate and Foreign Commerce.

By Mr. ROGERS of Colorado:

H.R. 4266. A bill to amend the Civil Service Retirement Act to provide for the adjustment of inequities and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. SCHWENGEL:

H.R. 4267. A bill to establish a cropland adjustment program; to the Committee on Agriculture.

By Mr. SHRIVER:

H.R. 4268. A bill to provide for the appointment of a district judge in the district of Kansas; to the Committee on the Judiciary.

By Mr. SIKES:

H.R. 4269. A bill to establish the Youth Conservation Corps to assist in the conservation and development of natural resources, provide employment and training for unemployed youthful citizens, and for other purposes; to the Committee on Education and Labor.

By Mr. TEAGUE of California:

H.R. 4270. A bill to amend section 37 of the Internal Revenue Code of 1954 to equalize for all taxpayers the amount which may be taken into account in computing the retirement income credit thereunder; to the Committee on Ways and Means.

By Mr. WALTER:

H.R. 4271. A bill to permit the deduction for Federal income tax purposes of certain amounts paid in connection with annuity contracts; to the Committee on Ways and Means.

By Mr. WILLIAMS:

H.R. 4272. A bill to amend part I of the Interstate Commerce Act in order to provide that the provisions of section 4(1) thereof, relating to long and short haul charges, shall not apply to express companies; to the Committee on Interstate and Foreign Commerce.

H.R. 4273. A bill to amend the Interstate Commerce Act to provide that disabled persons meeting certain requirements may not be prohibited from operating motor vehicles in interstate or foreign commerce under certain rules and regulations of the Interstate Commerce Commission; to the Committee on Interstate and Foreign Commerce.

By Mr. CHAMBERLAIN:

H.R. 4274. A bill to create and prescribe the duties of a Commission to Investigate Electoral College Reform; to the Committee on House Administration.

By Mr. JOHNSON of California:

H.R. 4275. A bill to direct the Secretary of the Interior to establish a research program in order to determine means of improving the conservation of game and food fish in dam reservoirs; to the Committee on Merchant Marine and Fisheries.

By Mr. GEORGE P. MILLER:

H.R. 4276. A bill to expand and develop the aquatic resources of the United States including the oceans, estuaries and rivers, the Great Lakes and other inland waters, to enhance the general welfare, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. WALTER:

H.R. 4277. A bill to provide for the erection at Stroudsburg, Pa., of a monument in honor of J. Summerfield Staples; to the Committee on House Administration.

By Mr. DINGELL:

H.R. 4278. A bill to amend title IV of the Social Security Act to authorize Federal financial participation in aid to dependent children of unemployed parents, and for other purposes; to the Committee on Ways and Means.

By Mr. HALEY (by request):

H.R. 4279. A bill to authorize the payment of per diem to members of the Indian Arts and Crafts Board at the same rate that is authorized for other persons serving the Federal Government without compensation; to the Committee on Interior and Insular Affairs.

By Mr. CUNNINGHAM:

H.J. Res. 214. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

H.J. Res. 215. Joint resolution designating the week of May 22-27, 1961, as Police Week; to the Committee on the Judiciary.

By Mr. MCINTIRE:

H.J. Res. 216. Joint resolution proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. MATHIAS:

H.J. Res. 217. Joint resolution proposing an amendment to the Constitution of the United States relative to equal rights for men and women; to the Committee on the Judiciary.

By Mr. O'NEILL:

H.J. Res. 218. Joint resolution to designate the Veterans' Administration hospital at Bedford, Mass., as the Edith Nourse Rogers Memorial Hospital; to the Committee on Veterans' Affairs.

By Mr. PELLY:

H.J. Res. 219. Joint resolution to provide for planning for the conversion of the national economy to nonmilitary production in the event of reduced military spending; to the Committee on Interstate and Foreign Commerce.

By Mr. VAN PELT:

H. Con. Res. 156. Concurrent resolution declaring the sense of the Congress that no further reductions in tariffs be made during the life of the present Reciprocal Trade Agreements Act; to the Committee on Ways and Means.

By Mr. O'BRIEN of New York:

H. Con. Res. 157. Concurrent resolution to recognize Samuel Wilson, of Troy, N.Y., as the progenitor of America's national symbol "Uncle Sam"; to the Committee on Interior and Insular Affairs.

By Mr. KING of New York:

H. Con. Res. 158. Concurrent resolution to recognize Samuel Wilson, of Troy, N.Y., as the progenitor of America's national symbol "Uncle Sam"; to the Committee on Interior and Insular Affairs.

By Mr. BARING:

H. Res. 161. Resolution creating a select committee to conduct an investigation and study; to the Committee on Rules.

H. Res. 162. Resolution to provide funds for the expenses of the investigation and study authorized by House Resolution 161; to the Committee on House Administration.

MEMORIALS

Under clause 4 of rule XXII, memorials were presented and referred as follows:

By Mr. HARRISON of Wyoming: Joint Memorial of the House of Representatives, 36th State Legislature of the State of Wyoming, memorializing the Congress of the United States with reference to adequate Federal appropriations for the control of noxious weeds on federally controlled lands; to the Committee on Appropriations.

Also, joint memorial of the House of Representatives, 36th State Legislature of the State of Wyoming, memorializing the Congress of the United States of America with reference to employment of persons over 40 years of age; to the Committee on Education and Labor.

Also, joint memorial of the House of Representatives, 36th State Legislature of the State of Wyoming, memorializing the Congress of the United States concerning wilderness legislation and opposing the creation or extension of wilderness areas within the State of Wyoming; to the Committee on Interior and Insular Affairs.

Also, joint memorial of the House of Representatives, 36th State Legislature of the State of Wyoming, memorializing the Congress of the United States of America, the Secretary of the Interior, and the Bureau of Land Management, with reference to passing legislation granting 90 percent of all moneys from the sale of, or as bonuses, royalties, or rentals, on federally controlled minerals within the State of Wyoming to the State of Wyoming; to the Committee on Interior and Insular Affairs.

By the SPEAKER: Memorial of the Legislature of the State of Arkansas, memorializing the President and the Congress of the United States relative to proposing an amendment to the Constitution of the United States relating to balancing the expenditures and the income of the Government of the United States; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relative to the issuance of a commemorative postage stamp for Phoebe Apperson Hearst; to the Committee on Post Office and Civil Service.

Also, memorial of the Legislature of the State of California memorializing the President and the Congress of the United States relative to recognition and development of the recreation potential in connection with Federal channel control works in the Sacramento-San Joaquin Delta and along the Sacramento and San Joaquin Rivers; to the Committee on Public Works.

Also, memorial of the Legislature of the State of Idaho, memorializing the President and the Congress of the United States to reassert its constitutional control over our national monetary policies and restore the integrity of the dollar throughout the world by proceeding with all deliberate haste to enact necessary legislation; to the Committee on Banking and Currency.

Also, memorial of the Legislature of the State of Idaho, memorializing the President and the Congress of the United States to develop and adopt a national minerals policy that will guarantee a strong and healthy domestic mining industry by assuring domestic producers a fair and equitable share of domestic metal markets; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the State of Maine, memorializing the President and the Congress of the United States relative to ratification of amendment to the Constitution of the United States relating to the granting of representation in the electoral college to the District of Columbia; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Minnesota, memorializing the President and the Congress of the United States relative to ratification of amendment to the Constitution of the United States relating to the granting of representation in the electoral college to the District of Columbia; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Montana, memorializing the President and the Congress of the United States relative to requesting that the 87th Congress immediately extend the present Sugar Act

of 1948 through December 31, 1961; to the Committee on Agriculture.

Also, memorial of the Legislature of the State of North Dakota, memorializing the President and the Congress of the United States relative to their House bill 587 entitled, "a bill to accept the cession by the State of Minnesota to the State of North Dakota of certain parcels of real property and declaring an emergency"; to the Committee on the Judiciary.

Also, memorial of the Legislature of Oregon, memorializing the President and the Congress of the United States relative to ratification of amendment to the Constitution of the United States relating to granting of representation in the electoral college to the District of Columbia; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Wyoming, memorializing the President and the Congress of the United States relative to requesting legislation for the appropriation of funds for the control of noxious weeds on federally controlled lands; to the Committee on Appropriations.

Also, memorial of the Legislature of the State of Wyoming, memorializing the President and the Congress of the United States relative to the employment of persons over 40 years of age; to the Committee on Education and Labor.

Also, memorial of the Legislature of the State of Wyoming, memorializing the President and the Congress of the United States concerning wilderness legislation and opposing the creation or extension of wilderness areas within the State of Wyoming; to the Committee on Interior and Insular Affairs.

Also, memorial of the Legislature of the State of Wyoming, memorializing the President and the Congress of the United States with reference to passing legislation granting 90 percent of all moneys from the sale of, or as bonuses, royalties, or rentals, on federally controlled minerals within the State of Wyoming to the State of Wyoming; to the Committee on Interior and Insular Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOGGS:

H.R. 4280. A bill for the relief of Dimitri Elias Sartan; to the Committee on the Judiciary.

By Mr. BOLAND:

H.R. 4281. A bill for the relief of Giuseppe Delina; to the Committee on the Judiciary.

H.R. 4282. A bill for the relief of Casimir Lazarz; to the Committee on the Judiciary.

H.R. 4283. A bill for the relief of Zofia Wodynska; to the Committee on the Judiciary.

H.R. 4284. A bill for the relief of Veda Alixia Bogle; to the Committee on the Judiciary.

H.R. 4285. A bill for the relief of Dr. John M. Zykiewicz; to the Committee on the Judiciary.

By Mr. DORN:

H.R. 4286. A bill for the relief of Mrs. Annie M. Martin; to the Committee on the Judiciary.

By Mr. FARBSTAIN:

H.R. 4287. A bill authorizing the presentation of the Bronze Star Medal to Sidney Clinton Stern; to the Committee on Armed Services.

H.R. 4288. A bill for the relief of Achille Alfano; to the Committee on the Judiciary.

By Mr. FRIEDEL:

H.R. 4289. A bill for the relief of Maria Cesta-Incani; to the Committee on the Judiciary.

By Mr. GIAIMO:

H.R. 4290. A bill for the relief of Luigi Mondini; to the Committee on the Judiciary.

By Mr. JOHNSON of California:

H.R. 4291. A bill for the relief of Edward T. How and others; to the Committee on the Judiciary.

By Mr. GEORGE P. MILLER:

H.R. 4292. A bill for the relief of Louie Jee Keung; to the Committee on the Judiciary.

By Mr. POWELL:

H.R. 4293. A bill for the relief of Sarah Elizabeth Facey; to the Committee on the Judiciary.

H.R. 4294. A bill for the relief of Edney Roy Powell; to the Committee on the Judiciary.

By Mr. ANFUSO:

H.R. 4295. A bill for the relief of Moshe Nussbacher; to the Committee on the Judiciary.

By Mr. BELL:

H.R. 4296. A bill for the relief of Barbara Iris Patrick; to the Committee on the Judiciary.

By Mr. WALTER:

H.J. Res. 220. Joint resolution relating to deportation of certain aliens; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were held on the Clerk's desk and referred as follows:

58. By the SPEAKER: Petition of the president, Insular Union of Construction Workers, Santurce, P.R., petitioning consideration of their resolution with reference to requesting legislation that will give an equitable minimum wage; to the Committee on Education and Labor.

59. Also, petition of Mr. and Mrs. Victor O. Wamsley and others, Duluth, Minn., petitioning consideration of their resolution with reference to requesting initiation of a study to devise a new method of nominating and electing Presidents; to the Committee on House Administration.

60. Also, petition of the supreme recording secretary, Order Sons of Italy in America, Wilmington, Del., petitioning consideration of their resolution with reference to requesting amendment of the immigration and naturalization laws; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

What the New York Times Sees Fit To Print

EXTENSION OF REMARKS

OF

HON. FRANCIS E. WALTER

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 13, 1961

Mr. WALTER. Mr. Speaker, under leave to extend my remarks in the RECORD, I wish to include first an editorial printed in the New York Times of February 2, 1961. The editorial reads as follows:

MR. WALTER ON REFUGEES

The callous comment of Representative FRANCIS E. WALTER—most hostile opponent of liberal refugee and immigration legislation since the late Senator Pat McCarran—was to be expected, ridiculing a proposal to admit to the United States in the next 2 years up to 40,000 nonquota refugee-escapees from Communist and other forms of persecution. "They couldn't get 40,000 refugees if they advertised in every newspaper in Europe," he said.

Under the United Nations High Commissioner's mandate alone there are at least 75,000 refugees in Europe and another 7,500 Europeans in Asia—not to mention the total

of nearly a million and a half scattered throughout the globe who come within the restricted limitations of his responsibility. In addition, there are hundreds of thousands more in north Africa, in the Far East, and in many other parts of the world who are, in the common understanding of the term, refugees. The microscopic number of 20,000 a year provided for in the bill just introduced by Senator KEATING of New York and five other Senators, including Senators JAVITS and CASE, is hardly an exaggerated figure to meet the current emergency and any that may unexpectedly arise in the future—whether in Cuba, the Middle East or other areas.

In a companion bill introduced by Senator JAVITS and the same group of Senators, a revision and modernization of the present antiquated and inadequate immigration law is proposed. Principal features of the bill include readjustment of the national-quota system to reflect the 1960 instead of the 1920 census, and to permit pooling of unused quotas—two reforms long sought by many members of both parties, including former President Eisenhower, Vice President Nixon and President Kennedy.

Last year Congress did enact a refugee-relief bill that one expert, Edward Corsi, has correctly described as "meager in scope . . . and niggardly in numbers." Last year—World Refugee Year—the United States did not add to its luster by what it did for the world refugee problem, or rather by what it didn't do. This year we can and ought to do better; and a good beginning

would be for the President to push hard for the Javits-Keating bills or a reasonable facsimile thereof.

On February 11, 1961, the New York Times printed my letter, which reads as follows:

ADMITTING REFUGEES—LEGISLATION FACILITATING ENTRY OF DISPLACED IS UPHOLD

TO THE EDITOR OF THE NEW YORK TIMES:

I have consistently refrained from lodging objections to the New York Times' editorial comments on my activities in the Congress, although your newspaper has quite frequently seen fit to print gratuitously insulting opinions about me.

However, in the editorial of February 2 the Times has stated as a matter of fact—not opinion—that I am "the most hostile opponent of liberal refugee and immigration legislation." This statement is patently untrue. Facts and figures attest to the contrary.

Since the end of World War II all legislation under which displaced persons and refugees were admitted to the United States was either introduced in the Congress by myself or reported and piloted by myself through the Congress. Official U.S. and international statistics estimate the number of displaced persons and refugees admitted to the United States under this legislation at close to 850,000 persons.

INTERNATIONAL OPINION

The international community engaged in resettlement of refugees, similarly, appears

to disagree with your appraisal of my activities in that field.

In nominating me to the post of president of the Council of the Intergovernmental Committee for European Migration (ICEM), at a 29-nation meeting held at Naples, Italy, on May 5, 1960, the delegate of Italy, Ambassador Borgia, has referred to me as the founding father of that organization, which in its 9 years of existence has resettled overseas 1,046,400 emigrants, 447,178 of whom were refugees.

Seconding my nomination, the delegate from Israel, Mr. Laor, has referred to me as the "warmhearted friend of all the emigrants and refugees in the world." Allowing for flattery and diplomatic courtesy, these expressions (concurrent in by representatives of seven other nations and culminating in a unanimous election) certainly differ from what the Times had to say in its editorial.

As far as the current refugee situation is concerned, my bill, enacted in 1960, under which the United States is able to participate in the resettlement of refugees under the mandate of the United Nations High Commissioner for Refugees, served to open the doors of the United States to 5,141 refugees in the first 6-month period of operations authorized by my legislation.

According to a report submitted to the Congress by the Commissioner of Immigration and Naturalization, only 6,334 refugees had registered for entry to the United States, notwithstanding the fact that the voluntary agencies have made every possible effort to locate and register refugees who desire to come to the United States.

LACK OF INTEREST

In his report to the Congress the Commissioner further stresses that due to the vastly improved economic situation in Europe and abundant employment opportunities, refugees are "not anxious to embark upon an immigration venture and hence generally are not interested in registering." As an illustration, the Commissioner adds that during the past year West Germany, in addition to the placement of 200,000 refugees from the East, has imported 330,000 workers from other countries.

The law enacted in 1960 remains on the statute books together with the permanent features of the Walter-McCarran Act under which refugees, such as the Hungarians in 1956 and 1957 and the Cubans of the present time, could be admitted, in emergency situations.

Thus, the United States is fully equipped to accept its fair share of refugees.

FRANCIS E. WALTER.

WASHINGTON, February 6, 1961.

The New York Times has attached this comment to my letter:

Perhaps, in fairness, we ought to have said that Mr. WALTER is only one of the most hostile opponents of liberal refugee and immigration legislation—the key word, of course, being "liberal."—Editor, the Times.

What the New York Times has so far not printed is a telegram signed by the leaders of the voluntary agencies engaged in providing assistance and resettlement opportunities to refugees.

The telegram, as sent to me, reads as follows:

Congressman FRANCIS E. WALTER,
House of Representatives,
Washington, D.C.:

We have today dispatched the following telegram:

"EDITOR, NEW YORK TIMES:

"Your editorial 'Mr. WALTER on Refugees' Thursday, February 2, 1961, calls him 'most hostile opponent of liberal refugee and immigration legislation since the late Senator Pat McCarran.'"

"While we have consistently recorded our belief that major amendments to basic Immigration and Nationality Act would better represent our American concern for refugee homeless, we have not regarded and do not concur in naming Congressman FRANCIS E. WALTER most hostile opponent liberal refugee and immigration legislation. Together with other congressional leaders he played vital role in securing entry refugee tuberculars, Hungarian freedom fighters, Dutch Indonesian refugees and secured recognition Middle East refugees under Public Law 86-316. Since its origin Mr. WALTER has provided constant leadership and encouragement Intergovernmental Committee for European Migration which has served so many thousands of migrants coming to our shores and other free lands.

"JAMES MACCRACKEN,

"Church World Service; Chairman,
Refugee and Migration Problems
Committee, American Council of
Voluntary Agencies for Foreign
Service.

"JAMES RICE,

"United HIAS Service; Vice Chair-
man.

"Rt. Rev. JOHN F. MCCARTHY,

"Catholic Relief Services, NCWC.

"VERNON BERGSTROM,

"Lutheran Immigration Service;

Vice Chairman.

"Dr. JAN PAPANEK,

"American Fund for Czechoslovak
Refugees, Vice Chairman."

Abraham Lincoln—Tadeusz Kosciuszko

EXTENSION OF REMARKS

OF

HON. CLEMENT J. ZABLOCKI

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Monday, February 13, 1961

Mr. ZABLOCKI. Mr. Speaker, on February 12 we observe the birthdays of two great men who have played important roles in the history of our Nation—Abraham Lincoln, our 16th President, and Gen. Tadeusz Kosciuszko, a famous adopted son of our country and a hero of the Revolutionary War.

These two great men, living in different periods, with different backgrounds, shared the same respect for the dignity of man, and abiding love for our Nation. Each in his own way helped to make the United States what it is today.

General Kosciuszko was an outstanding military leader and his gallant participation in our Revolutionary War is impressive because of the fact that, in assisting our Nation's struggle for independence, he did not hesitate to come to our shores and fight for the principles in which he believed. His devotion to the cause of freedom and liberty should be an inspiration to all of us.

President Lincoln's courageous stand for freedom and union is forever inscribed in the annals of our national history. He led our Nation through a critical and tragic period, preserving the Union and opening the doors to a great future for the United States.

Today we are involved in a great and terrible conflict, the conflict between the free world and communism. As we recall the achievements of these two men,

we must reaffirm our determination to strive for freedom and justice for all. Let us express hope that the day will soon come when the people of Poland will regain their full independence. It is our responsibility to take a firm stand and be willing to sacrifice in order that we may preserve our heritage and, inspired by the example of Lincoln and Kosciuszko, we pray that, with God's help, we may have the strength today and in the days to come to live up to that responsibility.

A Tribute to the Late Tom Waring of the Famed "Waring's Pennsylvanians"

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 13, 1961

Mr. VAN ZANDT. Mr. Speaker, on Saturday, February 11, at Stroudsburg, Pa., the Monroe County Republican Committee sponsored their second annual Lincoln Day dinner, which several hundred persons attended.

Not only did the program observe the birthday of Abraham Lincoln but it included a tribute to the late Tom Waring of the famed "Waring's Pennsylvanians" who at the time of his death was serving as chairman of the committee on arrangements.

As the speaker of the evening it was my privilege to make the following remarks as a tribute of love and respect to the late Tom Waring:

As we assemble this evening to commemorate the 152d birthday of Abraham Lincoln and renew our pledge of allegiance to the enduring principles of the Republican Party we are mindful that the joy of this annual observance is dimmed by the absence of the late Thomas Lincoln Waring who not only began the plans for this evening's program but for years played a leading role in the success of this annual event.

Tonight his spirit and the spirit of the martyred Lincoln hover over this annual Lincoln Day dinner nurturing and sustaining us as we resolve to meet the challenges confronting the Republican Party and which are of equal importance to all Americans interested in good government.

Tom Waring, as he was affectionately known, was a native of Tyrone, Blair County, Pa., in my congressional district.

He was born there in 1902 on Lincoln's birthday.

When members of the Waring family left Tyrone through death or migration to other communities of the State or the Nation, Blair County's great loss was recognized and is still keenly felt.

When Tom Waring and his brother Fred settled here in Monroe County the residents of this area gained greatly by the presence of two adopted sons who paid this area a great compliment in their decision to henceforth call Shawnee on Delaware their future home community.

You responded with warmth and appreciation and thus the golden bonds of friendship were forged in mutual fashion.

It is deemed appropriate on this occasion to tender a tribute of love and respect to the late Tom Waring.

I have chosen to do so before indulging in the traditional Lincoln Day custom of discussing political affairs.

We treasure the memory of Tom Waring because during his short yet fruitful life, he so lived, that he left a legacy of love and devotion that may be summed up in the words of Byron:

"He kept the whiteness of his soul, and thus, men over him wept."

Tom's first love in life was music which has been described as the speech of angels, the poetry of the air—and the universal language of mankind.

Tom cofounded Waring's Pennsylvanians along with J. Roland McClintock.

They were later joined by Tom's brother Fred and the late Freddie Buck thus forming a quartet responsible for the widespread acclaim accorded Waring's Pennsylvanians.

Today Fred Waring is famed as the leader of a musical organization that has won world renown.

On their way to the pinnacle of success in the world of music and entertainment—Broadway production, movies, radio, and television triumphs—crowned the efforts of Waring's Pennsylvanians, enabling them to make an indelible imprint in the realm of American music.

Tom Waring, whose memory we revere and to whom tonight we tender a loving tribute, was a versatile American.

He was noted not only for his stellar contributions to the field of music but in the role of master of ceremonies he had no peer.

He was also interested in sports, painting, interior decorating, and in the business world.

The hallmark of Tom Waring's character was his abiding faith in God, his honesty, deep humility, and his jovial disposition.

Tom was endowed with a genius for understanding and generous friendship animated by Christian charity.

He had great concern for the welfare of his fellow man with the result that his civic pride knew no bounds.

The fact that Tom was the recipient in 1955 of the Golden Deeds awarded by the East Stroudsburg Exchange Club is only one instance where his civic mindedness and love for the community was publicly acknowledged.

His generosity and civic pride will long be remembered in the hearts of the residents of this area who knew and appreciated his efforts to advance the best interests of Monroe County.

The gratitude of this area has been well expressed in the naming of the new high school gym as the Tom Waring Memorial Gymnasium.

An ardent sports fan, Tom would have liked such recognition despite his gentle disposition and his reluctance to accept public acclaim for his golden deeds on behalf of the community.

He would have liked, too, the living memorial being created in his memory by the establishment of the Tom Waring Scholarship Foundation as a means of assisting deserving students in acquiring a higher education.

Tom Waring, whose death occurred in the prime of his life, enjoyed during his 58 years on earth the pleasure and the experience of probing every facet of American life.

He had the happy faculty of making friends among people in all walks of life.

In so doing, he was numbered among the personal friends of former President Dwight D. Eisenhower and others prominent on the American political scene.

His profession enabled him to win fame as a leading composer in the American Society of Composers, Authors, and Publishers.

Thus he mingled with the great personages that have walked across the thresholds of the

theater, motion pictures, radio and television.

Truly, it may be said of Tom Waring that "he walked with kings—yet never lost the common touch."

When you review the life of Tom Waring that is now closed you are reminded of the beautiful lines by Mrs. A. J. Stanley who in speaking of success in life said:

"He has achieved success who has lived well, laughed often, and loved much; who has gained the respect of intelligent men and the love of little children; who has filled his niche and accomplished his task; who has left the world better than he found it, whether by an improved poppy, a perfect poem, or a rescued soul; who has never lacked appreciation of earth's beauty, or failed to express it; who has always looked for the best in others and given the best he has; whose life was an inspiration—and whose memory is a benediction."

Such a man was Tom Waring and such was the measure of his success.

Truly, Tom's life may be described as a symphony of unselfish love and willing sacrifices for the common good.

Devoted to the principles of Abraham Lincoln whom he revered, Tom's life recalls that of the great emancipator of whom it was said at his death:

"The tall cedar fell
And left a lonely place
Against the sky."

While the body of Tom Waring has vanished from our view, and his soul has taken its homeward flight, yet his inspiring and vibrant spirit lives on in a devotion that shall never diminish in the hearts of those who revered and loved him.

In concluding this tribute to the late Tom Waring who was regarded as a great American—and one of God's noblemen—we can say in all sincerity and from the innermost recesses of our saddened hearts:

"A friend has passed across the bay
So wide and vast and put away.
The mortal form that held his breath
But through the mortal storm that men
call death,
Erect and straight, unstained by years
At heaven's gate, a man appears."

World's Greatest Cranberry Merchant

EXTENSION OF REMARKS

OF

HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 13, 1961

Mr. HOSMER. Mr. Speaker, the Soviet Union is attempting to convince everybody it has grown up now and is a big, powerful, solid citizen of the world. Over the weekend it tossed several tons of highly publicized and high priced machinery out toward Venus trying to prove it. As commendable as this scientific endeavor may be, it should not be regarded out of context. A cranberry merchant on the international scale is no less subject to criticism than a cranberry merchant on an individual scale. A cranberry merchant is a flashy operator too cheap to pay his bills.

Here is a country operating flashy if there ever was one. This is so because if it really were a solid citizen type instead of trying to impress everybody including the Venusian, if there are any,

it would be devoting its scientific attention to taking care of its people at home by efforts to overcome the tremendous lag in agricultural production.

Here is a country that is too cheap to pay its just bills. It pays only 5.45 percent of the U.N.'s costs while the United States pays 43.67 percent of those costs. In 1960 the U.S.S.R. contributed a paltry \$18,245,000 to the U.N.'s total cost of \$334,700,000 while the United States contributed a whopping \$146,182,000.

Now, in this light, if the cranberry merchant shoe fits, I hope the next time Mr. Khrushchev comes to the U.N. he will keep it under the table where it belongs and put his checkbook on top of the table where it belongs, instead of scrooged away on a space station.

Secretary Udall Assumes Role of Co-chairman of National Petroleum Council

EXTENSION OF REMARKS

OF

HON. WAYNE N. ASPINALL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Monday, February 13, 1961

Mr. ASPINALL. Mr. Speaker, our former colleague, Secretary of the Interior Stewart Udall, is losing no time in getting a firm grasp of his new duties and responsibilities. His actions and decisions in the three weeks he has been Secretary have demonstrated the enthusiasm and energy with which he is approaching this new and challenging assignment. An example is Secretary Udall's assumption of the role of Co-chairman of the National Petroleum Council instead of appointing someone from his staff. In making this announcement at his first meeting with the Council, he stressed the important role of the National Petroleum Council as "an ideal bridge for the two-way traffic of ideas and information between government and industry." He indicated his intention to be active in the Council's activities. In this connection, I am including the Secretary's statement to the executive committee of the National Petroleum Council at its meeting here in Washington on February 7:

REMARKS BY SECRETARY OF THE INTERIOR STEWART L. UDALL TO MEETING OF THE EXECUTIVE COMMITTEE OF THE NATIONAL PETROLEUM COUNCIL, WASHINGTON, D.C., FEBRUARY 7, 1961

I come not as a stranger to this meeting or even as your guest. We are standing today on common ground and I am happy to be counted as one of you.

Some of us are friends; some of us had the pleasure of meeting for the first time last night, but all of us are bound together, by mutual responsibility for the social, the economic and the political impact of the petroleum industry on the affairs of our Nation—and the world. I trust we are here because we have accepted this responsibility, are prepared to meet it in common, and in doing so, are ready to make the fullest possible use of this Council. I am here to give you my word on this and to ask for yours.

In his inaugural address, President Kennedy uttered these stirring words: "Ask not what your country will do for you—ask what you can do for your country." A few days later in his message on the state of the Union, the President said, "I here pledge myself and my colleagues in the Cabinet to a continuous encouragement of initiative, responsibility and energy in serving the national interests." Thus, in asking your help, I am acting on the direct counsel of a President who has solemnly committed me to an open mind and to an open door.

You may call this cooperation if you wish. I think it amounts to much more. These are times which demand much more than mere cooperation between the private and public sectors of American enterprise. Communism, if you recall, began as a demand for equality. It promised to "divide the wealth" and to give political power to the downtrodden. But to many of its early converts the appeal of communism lay in its promise to followers that they would take part in a selfless crusade for humanity. The promise was a false one and has been exposed by history time and again. That it succeeded so well and still persists is due largely to default by the defenders of free institutions. Nevertheless, I believe that communism is losing this ideological battle and that its appeal today is based largely on the ancient argument for tyranny—that it is more efficient than freedom in providing material benefits.

This too is a false argument, but no matter what price we place on freedom it is not an irrelevant argument, not to the great numbers of people in Asia, Africa, and Latin America who are now living at intolerable economic levels. The United States is perfectly capable of demonstrating to the world that our economic system is efficient, that it is unique, that it is flexible, and that it is a servant not a master of the open society we all cherish. Such a demonstration, however, calls for more than cooperation by business and Government. It demands a substantial identity of purpose and a zeal to weld together common interests.

The petroleum industry is part of the core of America's economic and military strength. It is pivotal to the welfare and cohesion of the free world. We in Government know its importance; we recognize its complexities; we respect those who direct it. I am confident that for your part, you appreciate the inescapable involvement of Government in the industry. We must have national policies on oil and gas and these policies must be determined by public bodies which weigh the public interest in the scales.

The Department of the Interior is the principal policymaking agent in this sphere. Its responsibilities will grow rather than diminish in the coming years. There are, I suppose, some who wish this were not so, who believe the industry can solve its own problems and that accepting any governmental association with the private sector of the economy is letting the camel's nose into the tent.

Despite what I have said about the Communist challenge, I appreciate this thinking and I regret that it has so little to do with reality. However, recent events demonstrate conclusively that there are simply no alternatives to government as an arbiter of the industry, as its shield in foreign affairs, and as guardian of the national interest.

The true problem for us is to develop the machinery that will permit Government to carry out effectively its balance wheel function without usurping those of business. The knowledge required by the Government for its regulatory role at home and its representative role abroad—this knowledge is, by the nature of our system, found in the private sector. This is as it should be. I feel, as you do, that Government should not, would not, and could not assume any func-

tion that is properly a business one. Yet, there are many occasions when substantial information and advice from the private sector must be available to Government for the interests of the Nation and, hence, for the interest of the industry. This need becomes critical in dealing with monolithic states that recognize no division between public and private sectors.

I believe that those who created this Council understood the problem well, for here in the National Petroleum Council we have an ideal bridge for the two-way traffic of ideas and information between Government and industry. The bridge may need a few improvements but it is structurally sound and is capable of carrying far more traffic than it does now. Our job is to improve its approaches—and work has already begun on the Government side.

I cannot promise that the Government will accept all recommendations put forward by the industry or that our views on a given subject will always coincide with yours. This is not what a Government department is for. But I can promise you that your views will always be welcome and your facts and figures put to use. Again, as President Kennedy said last week: "Let it be clear that this administration recognizes the value of daring and dissent—that we greet healthy controversy as the hallmark of healthy challenge."

I opened these remarks by saying we are here on common ground. I am in earnest about that, and effective immediately, I am designating myself Cochairman of the National Petroleum Council.

I will look upon this as a challenge and an opportunity for achievement and responsible action as great as any duty I may perform as Secretary of the Department of the Interior. I will attend the meetings whenever possible, and in those cases (and I hope there will not be many) when I am unable to be present, my duties will be assumed by a senior official in the Department.

I trust the industry to show a concern with the Council equal to my own.

This is a time in America for great expectations. Let us share them.

Thank you.

Standby Plan To Meet Economic Impact of Reduced Military Spending

EXTENSION OF REMARKS

OF

HON. THOMAS M. PELLY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Monday, February 13, 1961

Mr. PELLY. Mr. Speaker, I have today introduced House Joint Resolution 219 calling for a federally developed plan to meet the economic impact of defense cutbacks. The idea back of this is to provide a study and standby preparedness program for peace. Under this proposal the Secretary of Commerce would develop a nationwide survey for conversion of industries and manpower from military to nonmilitary production in event of any U.S. international agreements calling for curtailing of armaments.

Certainly, the President should have, and I am sure will have, the fullest support and cooperation of the Congress in his endeavor to find solutions to the most pressing problem of our times—peace among nations.

Especially, President Kennedy will carry the most fervent hopes and prayers of the American people into any Soviet-American talks. An end to the use of force as a means of settlement of international disputes is a national goal. By degrees at least it can be achieved.

However, in achieving or attempting to achieve that goal, no one believes there is any overnight answer. Notwithstanding delays, it only seems reasonable that the limitation of atomic power to peacetime uses might well be agreed to first under some mutually satisfactory system of control. If that hurdle is overcome it would be the major step toward gradual disarmament. Thereafter, the major military powers could find other areas whereby a reduction in defense spending would be accomplished.

In such an eventuality, it seems to me, democracy and our free economy would immediately come into stepped-up economic competition with the Communists. In any such competition, the system of state capitalism and control would seem to be far more susceptible than our free enterprise one to conversion of industry from military to nonmilitary production. Moreover, any obvious failure of independent private ownership under such conditions of transition would make the United States and its private ownership look bad and thereby in the struggle between the two ideologies on the economic battlefield our free way of life might receive quite a black eye before the rest of the world.

As I see it, Mr. Speaker, a major cutback in defense expenditures in the United States will have a serious effect on our economy. Indeed, the question has been raised—Can we afford peace? Under our voluntary system, could we retain and relocate industry and workers following a disarmament agreement without resorting to nationalization, subsidization and much of the control and regimentation of the Communist system to which we object.

All of this points up the desirability of carefully preparing a standby program as called for in my joint resolution so the Government would be ready to implement immediately the conversion of adversely affected industries and employment to peacetime production.

At this very moment, Congress is being asked to assist distressed areas which have become pockets of unemployment through obsolescence and other causes of plant shutdowns.

In my State of Washington and especially in Seattle where the Boeing Airplane Co. employs such a high percentage of the total area work force, we are concerned. The management of Boeing has done a very creditable job of developing the production of peacetime commercial jet transport planes. It is constantly seeking to increase its nonmilitary business. But, missiles and other military contracts are responsible for thousands of Boeing jobs and the community employment is not diversified.

It seems to me the Federal Government either studies this overall transition problem now, giving a chance to industries and labor to work out programs that will preserve the free enterprise

system, or we wait and in the future risk the danger of a position of complete Federal responsibility that could easily lead to socialism and possibly the very conditions of State control that our armaments are maintained to protect ourselves from.

Furthermore, how much better to negotiate peace and disarmament from a position of strength. With a plan, the American people would avoid panic or fear of diminishing production of military arms. Also such a plan would show the good intentions of the United States in any international discussions. With all this in mind, Mr. Speaker, I have introduced today House Joint Resolution 219 to provide that the Secretary of Commerce shall carry out planning in anticipation of eventual success in endeavors to achieve world agreement of gradual disengagement from defense spending.

Under my resolution, the Secretary of Commerce would initiate a survey of the dependence of industrial economy on military contracts.

In turn, the defense industries that are vulnerable to diminishing military appropriations would be encouraged to plan for conversion of their plants to peacetime conditions and to offset reductions of military spending. Also, a program of retaining workers and relocating them if necessary would be developed.

Under the resolution as introduced a comprehensive industry transition plan would be ready and transmitted to the President of the United States not later than June 30, 1963.

In the meanwhile, I would expect, Mr. Speaker, while the surveys and studies are being developed that the very public knowledge that they are in preparation would strengthen the position of the President and those he entrusts with the responsibility of negotiating disarmament and peace just as it would solidify public opinion in support of the President's foreign policies and programs in any foreign peace discussions.

My resolution reads as follows:

JOINT RESOLUTION TO PROVIDE FOR PLANNING FOR THE CONVERSION OF THE NATIONAL ECONOMY TO NONMILITARY PRODUCTION IN THE EVENT OF REDUCED MILITARY SPENDING

Whereas the most pressing problem of our time is how to maintain peace among nations; and

Whereas more than 40 billions of dollars or approximately half of the budget of the Federal Government of the United States is for national defense resulting in a substantial percentage of the incomes of the American people being dependent on military expenditures; and

Whereas total disarmament is the goal of our National Government which if achieved would result in severe reduction of military spending throughout the United States; and

Whereas our National Government will be able to negotiate for disarmament from a greater position of strength if our Nation has planned how to make the transition from a militarily oriented economy to one based on production of civilian goods: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Commerce shall carry out comprehensive planning and educational programs neces-

sary to prepare the Nation's economy for the gradual disengagement from military spending, including the following activities:

(1) Conducting continual surveys of the industry of the Nation to determine to what extent the national economy is dependent on military spending.

(2) Encouragement of industries which are dependent on military contracts to participate with the Department of Commerce in planning for conversion of their own plants to products needed in a peacetime economy.

(3) Development, in cooperation with other appropriate government agencies, of a plan of transition of industries from defense to nonmilitary production which can be initiated when required to offset reductions in military spending.

(4) Planning for the establishment of training programs, expense allotments, and loans to businesses or individuals who might have to relocate as a result of reduced defense spending.

(5) Determining the financial costs of conversion programs and making recommendations as to where assistance in meeting such costs might reasonably be obtained (i.e., from local organizations, industry, and local, State or National Government).

(6) Informing the public of the progress being made on plans for conversion of the Nation's industry to civilian goods production through news releases, pamphlets, reports, and other appropriate means.

(7) Establishment of an advisory committee of members from industry, labor and professional organizations, financial institutions and other organizations as deemed necessary from different economic and geographic areas of the United States, the members of which shall consult with and advise the Secretary of Commerce on matters pertaining to planning for conversion of the Nation's industry to nonmilitary production. The advisory committee shall assist in implementing plans of the Department which may require intensive coordination or planning on the part of organizations in their respective economic and geographic areas.

(8) Preparing a comprehensive plan of how the above items will be accomplished. Such plan shall be submitted to the President not later than June 30, 1962.

The Post Office Is a Vital Link in the Golden Chain of America's Progress

EXTENSION OF REMARKS

OF

HON. JAMES E. VAN ZANDT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Monday, February 13, 1961

Mr. VAN ZANDT. Mr. Speaker, on Sunday, February 12, at Pleasant Gap, Pa., the Post Office Department dedicated a new post office to the service of the people of that community.

As part of the dedication program it was my privilege to deliver the following speech on the subject "The Post Office Is a Vital Link in the Golden Chain of America's Progress":

THE POST OFFICE IS A VITAL LINK IN THE GOLDEN CHAIN OF AMERICA'S PROGRESS

(Speech by the Honorable JAMES E. VAN ZANDT, Member of Congress, 20th District of Pennsylvania, at the dedication of the Pleasant Gap Post Office, Pleasant Gap, Pa., February 12, 1961)

We are here today to dedicate a new post office building and to forge a new link in this vital chain of communications.

All of you can be proud of this new edifice which is much more than an attractive building of brick and mortar.

It is concrete evidence of the growth and progressive outlook of this community.

The post office has become such an integral part of our lives that most of us seldom give it a second thought.

Like so many other things in our lives today we tend to take its faithful service for granted.

But can you imagine what life would be like without these postal facilities.

We would be cut off from most of our written sources of news and contemporary thought if magazines and out-of-town newspapers could not be circulated.

Many of our personal messages and gifts to friends and loved ones could not be delivered except in person.

Without the post office our major source of contact with family and acquaintances who are often widely scattered over this vast country of ours as well as overseas would be lost.

Truly, the post office has become indispensable for most personal and business purposes.

Moreover, the post office offers us a variety of other related public services such as money orders, postal savings, c.o.d. delivery, registry, and a number of other services for other Government agencies.

The dedication of this new post office building here in Pleasant Gap, Pa., seems to me an opportune time to dwell briefly on the early development of the American postal system and the contributions to this great institution of a great American and native son of Pennsylvania—Benjamin Franklin.

During his tenure as postmaster and later as deputy postmaster general for the northern colonies from 1753 to 1774, Franklin's outstanding achievements as an international spokesman for the colonists and an inventor have caused most of us to forget his early connection with the colonial postal service.

As a result, we are apt to overlook the great service he rendered our country by molding the colonial post office into the vital public institution it has become.

When Franklin first assumed responsibility as postmaster of the post office in Philadelphia in 1737, the colonial postal system was far from efficient or complete.

It failed in many respects to meet the needs of the growing colonial settlements in North America.

Mail service was slow and undependable.

Little had been done to improve the postal facilities in their first 50 years of existence.

Mail service between the colonial centers south of Philadelphia had never been coordinated with service north of the city.

Post riders took as much as 4 weeks to carry mail from Boston to Williamsburg, Va.

Nor was there any assurance that letters would ever reach their destination.

In addition, the service, though poor, was very expensive.

Under Franklin's able administration, mail service was improved markedly.

By October 1754, weekly service between Philadelphia and New York was replaced by trips three times a week and the delivery time was shortened to 33 hours.

Delivery of mail between these two important centers of colonial life was further expedited by the inauguration of day and night post riding of this route.

Franklin was able to reduce the time required to transport mail from Philadelphia to Boston from 6 weeks to 3 by making the route more direct.

Benjamin Franklin pioneered a number of new postal services.

He introduced the first city delivery system in America while he was postmaster of Philadelphia.

This system—known as the penny post—furnished delivery of all unclaimed letters within the city limits for the additional charge of 1 penny.

By 1753 other large cities were adopting the penny post as the most effective means of distributing mail in urban centers.

In the smaller towns unclaimed letters were advertised in local newspapers with the notice that any letter not called for within 3 months would be forwarded to the central post office at Philadelphia.

Thus the American dead-letter office was born.

Franklin also inaugurated the use of postmarks to record the time a letter was received by the post office and set up a uniform and efficient accounting system to simplify the work of all the post offices.

After 4 years under his administration, the colonial American post office showed a profit for the first time since its founding a hundred years earlier.

Most of the early postmasters were printers who used their postoffices to circulate their publications.

They zealously prohibited the post riders in their area from carrying any rival publications.

Although Benjamin Franklin also was a newspaper publisher, he insisted from the first that rival newspapers be allowed to circulate.

By his action he became a Founding Father of our free press which is such an integral part of the American way of life.

Benjamin Franklin is considered the patron saint of the modern post office because of these and other valuable services he rendered while in charge of the colonial post.

He was the first postmaster to regard the postal system as a necessary public facility rather than simply a business enterprise.

He laid the foundations for the high standards still maintained by postal employees today.

The official slogan for the post office "neither snow, nor rain, nor heat, nor gloom of night, stays these couriers from swift completion of their appointed rounds," is still the creed of the modern mail service and is proof that Franklin's ideals have been emulated by succeeding postal administrators.

Historically, the post office has carried the major share of the burden of transmitting ideas and information.

As Benjamin Franklin foresaw, the post office has been a significant factor in our national development.

During the Revolutionary War period the rival postal system formed by the colonists after the British dismissed Franklin from the colonial post—greatly aided the cause of freedom by uniting the colonists.

The post office has been equally important in other periods in our national development such as the Civil War and the settlement of the West.

New means of mass communication have since been developed, but the Post Office continues to be as vital today as it was back in the colonial days for the bulk of correspondence.

In the last 10 years alone the volume of mail in the United States increased by some 18 billion pieces and is still growing.

The Post Office Department is currently engaged in a program of modernizing its mail handling facilities as well.

New electronic and mechanical devices are being installed in some of the larger city post offices to expedite sorting and distribution operations.

Although the speed of transporting mail has increased tremendously since the days of the post riders, many of our smaller post

offices still use manual sorting and distribution methods which are virtually identical to those used in Benjamin Franklin's time.

The new post office we are dedicating here today is part of this same modernization program begun in 1953 by former Postmaster General Arthur E. Summerfield.

The many new post offices and improved handling facilities which have been added to our postal system since the inception of the program exemplify the way the Post Office is maintaining the fine traditions founded by Benjamin Franklin.

I wish to congratulate Postmaster Mrs. Grace E. Tressler and the employees of the Pleasant Gap Post Office on being able to perform their duties with modern postal equipment.

Likewise the patrons of the Pleasant Gap Post Office are to be congratulated on having such a fine new building in the community since it will provide modern postal facilities for this entire area.

In addition—the appearance of the community has been greatly improved.

Therefore, in dedicating this new post office building it is with great pleasure that I congratulate the residents of Pleasant Gap as they join with other American communities in keeping pace with American progress.

Thank you again, Mr. Fisher.

I should like to read to the audience a letter from Postmaster General J. Edward Day:

"GRACE E. TRESSLER,

"Postmaster,

"Pleasant Gap, Pa.

"DEAR POSTMASTER TRESSLER: The Post Office Department is pleased to dedicate a new post office to the service of the people of Pleasant Gap, Pa.

"We are also pleased that the Honorable JAMES E. VAN ZANDT of the 20th District, who has taken such a deep personal interest in this new post office, has made arrangements for the formal presentation of the 50-star American flag that will fly over the post office.

"This flag has been flown over the Post Office Department and the Nation's Capitol in Washington, D.C.

"In dedicating this new post office we pledge continuing concern for the postal needs of your community, and our sincere interest in continuing to work for steady improvement in your postal services.

"Sincerely,

"J. EDWARD DAY,

"Postmaster General."

With this flag—in the name of the U.S. Post Office Department—I hereby dedicate this new building—to be known as the Pleasant Gap Post Office—in the fine traditions of the postal system and to the service of the citizens of Pleasant Gap.

Postmaster Tressler, I charge you with these responsibilities.

Why Compulsory Health Insurance Is Not the Answer

EXTENSION OF REMARKS

OF

HON. O. C. FISHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Monday, February 13, 1961

Mr. FISHER. Mr. Speaker, under leave to extend my remarks, I include an address delivered by me last October 4 before a group of doctors, dentists, nurses, and civic leaders, along with members of a women's auxiliary of an

eight-county medical society, in a meeting at San Angelo, Tex. The address follows:

WHY COMPULSORY HEALTH INSURANCE IS NOT THE ANSWER

Madam Chairman, members of the women's auxiliary, distinguished guests, this is indeed an honor to me to have this privilege of attending this function this evening and of addressing you on this occasion.

The topic of "Medical Legislation" was assigned to me, and I welcome the opportunity to discuss it. Right now medical legislation—past, present, and future—is very much in the news. Because of its importance, and in view of implications implicit in certain facets of proposals that are now being discussed, I think the subject is a very timely one. Every American has an interest in the outcome of proposed legislation, which if enacted would bring about drastic changes in the system of medical and hospital care in this country as we have known it.

My approach this evening will be objective, factual, and will not be blurred by any emotional appeals.

The issue that has been bandied about in recent months concerns itself with the question of how do we meet the problem that our old people have in this field of hospital and medical care. It is a serious problem and it is an old one—one that in the past has been met chiefly by local and State aid, with some Federal grants to the States; by private charity, and by the various doctors and medical associations.

The Federal Government has in one form or another been in this field for a long time. Today, in addition to many grants-in-aid programs to the various States for medical purposes, the Federal Government provides governmentalized medical care in some form directly to approximately 35 million people, through some 35 Federal medical systems, operated by the armed services, the Veterans' Administration, the U.S. Public Health Service, Departments of Agriculture, Interior, and Labor. And the Department of Health, Education, and Welfare also gets into the act.

In addition, there are four joint Federal-State programs—old age assistance, aid to dependent children, aid to the blind, and aid to the permanently and totally disabled. The cost of these four programs in the fiscal year 1958 came to \$2.9 billion, of which the Federal Government put up 60 percent.

But aside from these various forms of aid on medical services, in recent years there has developed a determined drive, stemming principally from the so-called liberals, calling for a more universal form of aid in the form of services—medical services—to the needy and the lower income groups. The liberals and social planners demand that this be done directly by the Federal Government, under Government supervision and control, and entirely at Federal expense. In recent years they have made several dramatic efforts to generalize the proposed services to include all the people—not just the elderly who are in need.

RECENT PROPOSALS FOR FEDERAL AID

Perhaps it will be of interest for us to briefly recall some of the highlights of various proposals that have been advanced in recent years.

As far back as 1935 an attempt was made to get national compulsory health insurance included in the original Social Security Act of 1935. But that effort failed.

Then in 1939 the late Senator Robert F. Wagner, of New York, author of the old and later discredited Wagner Labor Relations Act and the socialized public housing program, offered a bill to assist States in experimenting with a joint compulsory health insurance program. But the issue failed.

Next, in 1943, Senators Murray, Wagner, and Congressman Dingell offered the first bill which envisioned socialized medicine. It became known as the Wagner-Murray-Dingell bill. The doctors all remember it. It called for a complete federally operated system of medical and hospital care insurance, to be financed by payroll taxes under social security. The bill died in committee, after its dire implications had been exposed to the public. The American people can thank the American Medical Association for helping expose that bill for what it was.

But the bill was reintroduced, with slight changes, and with President Truman's blessing, in 1945, but did not reach a vote. The same thing happened in 1947.

In 1950 the proponents tried a new approach, and a bill was enacted calling for a limited amount of medical care, for a limited number of needy and disabled, to be financed from social security funds.

Two years later Oscar Ewing, after a trip to England, came forward with an ambitious plan for a national compulsory health insurance program, but he got nowhere with it.

President Eisenhower proposed a non-social-security health reinsurance plan, which was defeated. It was too timid for the liberals and too costly and uncertain for the more conservative.

Then in 1957 the proponents of socialized medicine became bolder again, after several earlier setbacks, and the Forand bill was introduced for the first time.

Now let us see just what the problem is and then discuss the possible remedies, including the Forand bill. The current problem centers around those older people who have enough to live on as long as they are not faced with large medical bills.

There are approximately 16 million people in this country who are 65 or older. About 12 million of these come under the social security program. The remaining 4 million are not covered. In that latter group are many old age pensioners and others who from time to time find themselves desperately in need of some help in meeting their medical and hospital bills.

Much of this problem has been dealt with on a local level. By January of 1959, 40 States had provisions for the payment of medical care for people in that category. And I have already referred to the Federal assistance that applies to them.

MEDICAL CARE ACT WILL HELP

At the recent session of the Congress a law was enacted which is designed to meet that need, or at least help to do so. It is a joint Federal-State program, to be administered on a State and local level—as I think it should be.

Under this plan the Federal Government will offer medical help to the needy aged in every State that puts up money of its own to match the Federal grants.

It is estimated that about 12.4 million people, 65 and over, will qualify for these new benefits, as the States activate the program. The 2½ million on the old age assistance rolls will qualify automatically, and an additional 10 million, 65 and older, are to become eligible whenever they run up medical and dental bills they cannot pay, and after the States act.

Here is an illustration that has been given of how the plan can work when applied to the low-income people but not on relief. Take an example of a retired couple just managing to make ends meet on an income of \$3,000 a year. Suppose the wife falls ill and finds an operation is necessary. As doctor, hospital, and drug bills pile up, they are paid slowly, more and more of them becoming delinquent until the couple is swamped by medical expenses.

At this point—and I should hope before it gets as serious as described—the husband takes his case to the local welfare office,

which runs his State's public assistance programs. He discloses his income and his expenses, and proves he is simply unable to pay all his medical bills. The welfare office then pays—direct to doctors and hospitals—the medical bills he cannot pay for himself. The amount and conditions of payments will, of course, have to meet the laws enacted in the various States.

The cost of this new and expanded welfare program is estimated to run about a half billion dollars a year in addition to what is already being expended on medical aid to those on relief, with about two-thirds to be paid by the Federal Government.

It can be seen that this program is designed to reach the older needy people who cannot make their own way and need a helping hand. It is a sound approach because it keeps the Government out of the medical business.

But the social planners are not happy with this approach. It was condemned by the CIO as being worse than no bill at all. The CIO demands Federal control, under social security. And I think I can safely say that every liberal in the country was horrified by the failure of Congress to impose compulsory insurance and a completely federally directed and federally financed medical care program.

Actually, what practically every organized radical-liberal group in the country wants is socialized medicine—such as is proposed in the Forand bill, with more to come later.

Now, what is socialized medicine? It is a system of Government-operated medical care, where the Government, rather than the individual becomes the purchaser and dispenser of medical care. And that is precisely what the CIO's COPE wants, the Americans for Democratic Action want; and a good many politicians have joined in the clamor.

FORAND BILL

When we provide service benefits, irrespective of needs, to be financed by compulsory taxation, as is proposed in the Forand bill and by these various groups, we are pushing our cash welfare state in the direction of socialization—in this case, of medicine. Let's put it this way: When the Government attempts to provide not money, but rather a particular, definite service, it must of course, take responsibility for the quality of that service, and that places the Government squarely in the medical care business.

Indeed, Walter Reuther, one of the chief architects of socialized medicine, in his testimony in support of the Forand bill, testified:

"I would think that the Government agency that was responsible for administering the program would be obligated to see to it that people who get the benefits get high quality of medical care. I think that we would want that."

Now, the Forand bill is a dangerous departure from the American method of medical practice. But in the form proposed it would apply only to those over 65—whether needy or not needy, and would be paid for, at least in part, by an increase in payroll deductions under the social security program.

That is bad enough, but you can be assured that if enacted, it will be just the beginning. The next step would be to lower the age eligibility and broaden the field of coverage. This drive would continue in Congress, session after session, until every American had been placed under the compulsory, Government-operated health program. Indeed, sponsors have spoken of establishing what they call a precedent, and indicating that the Forand bill is but a tuning up exercise in a drive for bigger worlds to conquer.

The Forand bill would be a foot in the door. Mammoth drives for expansion would inevitably follow, if only because of its own

inequities. The age of 65 would be removed. Everyone under social security would be included. After all, they would be helping pay the bill with every payroll deduction. And the fertile-minded politicians would have a field day out of expansion schemes until complete socialization of medicine would be achieved.

Now, certain people who support these socialized medicine schemes will tell you that I am unduly alarmed, that there would be no Federal control; that people would still select their doctors, and Uncle Sam would simply be paying the bills.

Well, let's see about that. I have already quoted from Walter Reuther who demands Federal responsibility for the quality of medical service the patient must get. When we allow the Federal Government to control the disbursement of funds under such proposals; allow the Government to determine the matter of benefits to be provided; allow a Government agency the right to fix the rate of compensation for hospitals, nursing homes, physicians, and dentists, with its own audit and control of expenditures to the hospitals, nursing homes, and patients; plus establishment and enforcement of standards of hospital and medical care, as would be necessary—then what do we have? We would inevitably have Government employees directing the doctors what drugs and treatment they could provide within the framework of the Government's program; and the hospitals and nursing homes would operate under the directing gaze of a Federal bureaucracy.

The Supreme Court in one of its decisions put it this way: "It is scarcely lack of due process for the Government to regulate that which is subsidized."

And make no mistake about it: There would not be a full freedom of choice by patients in the selection of their doctors. And the same is true of hospitals and nursing homes. The patient would only have a choice, at best, of those presented to him—those operating under contract with the Government.

Such a program would place the Government squarely in the role of interested third party in what is now a private contractual relationship between doctor and patient.

I am talking in terms of simple logic. It is important that we understand and recognize just what these programs would lead to—and then consider whether we want that sort of thing to happen in this country.

Personally, I am opposed to socialized medicine. I am opposed to compulsory health insurance because it means socialized medicine. And I am convinced such a program would very definitely lead to a deterioration of the quality of medical and hospital service which I believe free Americans have a right to expect.

But when one takes a position against socialized medicine in this country today he becomes a target of ridicule and derision by the leftwing do-gooders and free-spenders. CIO's COPE ranted editorially about what it called the parade of reactionary forces marching against passage of the Forand bill.

In fact, it is getting to the point in this country when if you oppose socialism in any form you are in the minds of some a conservative or a reactionary. In some circles the idea of simple economy in the operation of the Government is so old fashioned that one who advocates it is promptly berated as old fogey, out of step with progress—too conservative for his time.

Let us examine the effects of the Forand bill a little further. It would cost more than \$2 billion a year to begin with, and it would substitute a compulsory system of health insurance for a successful voluntary system. By doing so we would be contributing to the demise of all forms of private health insurance. This would be done in the face of the fact that voluntary coverage of persons more

than 65 has been doubled in 8 years. And a compulsory Government insurance program would put the private medical insurance groups out of business. We can assume that those compelled by law to carry, at their own expense, the cost of compulsory health insurance will neither be able nor anxious to carry private health policies as well, because that would be buying double coverage.

PRIVATE HEALTH INSURANCE IS POPULAR AND SUCCESSFUL

Today we are told that 43 percent of the 16 million Americans who are 65 or over have some form of private health insurance. Much of this coverage has been achieved during the past 5 or 6 years. This rapid growth in voluntary insurance can be expected to continue so long as our senior citizens are free to choose the sort of health coverage best suited to their individual needs.

According to the Health Insurance Association of America, 65 percent of the aged needing and wanting protection will be insured by the end of this year; and will increase to 80 percent by the end of 1965; and 90 percent by 1970. Indeed, in America 70 percent of all the people are now covered by some form of health and medical insurance, and the number continues to grow by around a million a year; and it is significant that the amount of health insurance owned by aged people is growing at a rate faster than that of the population as a whole.

To summarize, less than 20 years ago health insurance was a whole new concept of paying medical bills. Today more than 120 million out of 180 million Americans are covered by some form of hospital, medical or other similar insurance.

Yet, despite this record of progress under our prized free enterprise system, this program would be the enactment of the Forand and other kindred bills become frozen in a vast and uniform governmental system, and the natural effect would be to foreclose future opportunity for the private insurance groups, nonprofit and commercial, to proceed with their own proven capacity to deal with the problem. It would be turning the clock of progress backward instead of forward.

POLITICS IN MEDICINE

After all, I do not go along with the politicians who would have us believe that America is a sickly nation and we must change our system of ministering to the ill and afflicted. The fact is that America is today the healthiest large nation in the world. Today we enjoy the highest standards of health care in the world.

I think that a nation that has added 23 years to the lifespan of the average person in the past 50 years, with a bright outlook for the future, isn't doing so badly. And for that we owe a debt of gratitude to the great American medical profession which has led the world in scientific breakthroughs that have astounded mankind. The doctors tell us they can do a better job under the present free system and that they would be handicapped tremendously under the compulsory regimented systems that are proposed. And I think the doctors and the dentists are in a far better position to speak with authority in that field than any of the social planners or the vote hungry politicians.

But these proposals have a wide appeal. Observing that sickness is unwanted and its cost equally distasteful, the politicians have suddenly sought to capitalize on this fact by dragging the cost of medicine into politics. They know there are millions of voters among the elderly who have reached the golden years. And they have a way of playing upon their emotions by lambasting what they like to term "money-hungry doctors," and promising to give the victims, the "poor people," as they call them, free medical care.

I am sure none of us likes to pay doctor bills. But you know I discovered recently

that it costs me more for a house call by a TV repairman or a plumber than a house call by a doctor. In fact, data published by the Department of Commerce indicate that the average income of physicians has increased at almost the same rate as the average income of all gainfully employed people since 1929.

SOCIALIZED MEDICINE IN BRITAIN

I do not think a discussion of this subject would be complete without a reference to some of the experiences of others where socialized medicine has been undertaken. Perhaps we can learn some lessons. They tell me that is a good way to make progress—to take advantage of mistakes made by others. I shall refer to but one country—Great Britain.

On July 5, 1948, the National Health Service Act of 1946 went into effect in Britain, one of the products of the Labor-Socialist government. It is a part of a social security scheme, and it covers just about everything and everybody. I will touch on a few high spots.

In that country the first full year of NHS the cost mounted to a billion and a quarter dollars—nearly triple the estimate of the men who originally sold the idea to the people there.

By 1958 the cost had doubled. By then free service was costing the British people—each British family, £50 a year, or \$140, compared with about half that cost the first year. In fact, 12 percent of all British taxes go into the national health program.

During the period covered by the program there was a tremendous increase in requests for medical service, the public became greedy over drugs, and they were taken to hospitals for the slightest ailments. After all, it was free.

Each doctor can allow each patient an average of but 3 minutes for diagnosis, before the next in the queue line is reached. And it is reported that last year a half million Britishers were on the hospital admission waiting lists. And it was reported that only in the British Isles are women advised to apply 12 months in advance for a bed in a maternity ward.

It is not a coincidence that claims for benefits for loss of wages due to illness increased 50 percent in the first 6 years of NHS. Absenteeism in British plants jumped from 2.6 to 5.9 percent the first year of NHS.

The British take 3.6 percent of the worker's paycheck to help finance this program. In the United States a comparable percentage of deductions would amount to about \$3.45 per week, or \$15.52 a month.

The worker could take that money today and buy hospitalization and surgical benefits, including maternity benefits, polio insurance and similar benefits.

But even with free service, 4 million out of 50 million people in Britain now have acquired health insurance to assure them of private hospital care when they need it and a free choice of doctors. That is being done despite the fact that they are, through the Government and taxes, already fully covered.

The question recurs: "Can America learn a lesson from such experience in socialized medicine?" And another question has been asked: "Can tomorrow's citizens be perceptive enough to realize that evolution of a system, though a slower and less dramatic process than revolution, produces a sounder product? Will the next generation realize the fallacy in the thinking of those who call themselves liberals and see that change is not always progress?"

A prominent British doctor writes: "The overall care under NHS is probably better for those who couldn't previously afford any care, but every doctor admits that quality of his services has deteriorated under increased patient loads. Idealistically, it's fine," he states, "in practice it just doesn't work."

You know, when people are forced to pay for something whether they want it or not, they are inclined to use as much of it as they can in an effort to get their money's worth. And that is just one of the many headaches encountered in socialized medicine.

Moreover, there's the matter of staggering costs to think about. And here again we can learn a lesson. Today 1 out of every 100 Britishers (400,000) is employed by the Ministry of Health—2½ clerks for every doctor in the British Isles. A comparable system in this country would on that basis call for the additional employment of 1,740,000 clerks—and imagine the number of Pentagons it would take to house them. And it is estimated the British system would cost around \$20 billion a year in this country. Of course, the cost factor is of no concern to the social planners and the doctors of politics who want to take over the medical profession.

I simply cannot understand how anyone can believe that a bureaucratic governmental operation can be as efficient and economical as that done by private enterprise. That assumption runs counter to every experience we ever had.

BIGGER QUESTIONS INVOLVED

But the question of state medicine instead of private medicine is but a part of a much bigger question to be decided by the American people. That involves the role of the individual. Is he, it is asked, willing to accept some responsibility for his future—for his own family? Can he strive to make a good system better, whether it is medicine or democracy—or is he willing to scrap it and substitute a system which submerges his own identity in an impersonal, faceless society of nonconformists?

Such a system might be good enough for the Britisher. But this is America in which we live. This is free-enterprise America. Let us not lose sight of that fact when we listen to the sugar-coated pills being prescribed by those who would promise the moon and its satellites for a batch of elderly votes.

Now, I have spoken of the socialist-liberal bloc which is sponsoring socialized medicine for America, and I have said that this issue is but a part of a much bigger question. That raises the question: Just how much socialism do we want in this country? How much can we afford?

I do recall that after the late Senator Wagner, of New York, spent a few weeks in Europe studying socialized housing, he returned to sell the idea to Congress in the late thirties. The social planners grabbed that one in a hurry. Beginning as a depression measure, then kept alive by the dogooders in the forties, it blossomed forth as an innocuous means of meeting limited social needs for low-income people displaced by slum clearance projects. It sounded good and an expanded program squeezed through the House of Representatives by a 3-vote margin. I voted against it. But today—10 years later—it is a mammoth thing, unrelated to slum clearance and unrelated, in the main, to help for low-income families. And the American taxpayers are several billion dollars worse off—and the social planners warn that it is just the beginning.

So, where is the line, the welfare-state line, to be drawn? If I may divert for a moment, let us take a closer look at the modern-day liberal who plugs for socialized housing, socialized medicine, and brands all conservatives as the enemies of progress.

There is certainly nothing wrong about being a liberal, if you speak of a genuine liberal—one who is progressive, who is genuinely concerned about individual rights and liberties. But there are not many of that type today.

Looking back for a moment—Thomas Jefferson was undoubtedly a genuine liberal,

as were many of his confederates who drafted the Constitution and the Bill of Rights. But who can analyze the philosophy of Thomas Jefferson and reconcile it with the modern-day, self-styled liberal—the spending, pump-priming, big government, social planning liberal—who thinks depression measures should be repeated and expanded in times of full employment and prosperity? It just can't be done.

"The liberals who wrote the Declaration of Independence, the Constitution, the Bill of Rights, and who fought in the Revolutionary War, said Bomar Jaymes, 'had nothing in common with the liberals of today.'"

The liberal of today, he noted, talks big, loud, and long about his dedication to the protection and preservation of human rights and personal liberties.

And then he proceeds to advocate and support legislation that imposes upon the people regulations, restrictions, and controls which curb their rights and freedoms.

One of the earmarks of today's liberal is the unwavering dedication to the spending of other people's money, disguised as Federal funds. And the bigger the spending, the better he likes it.

That liberal, it is said, is dedicated to the principle that the Government has a right to take a portion of a person's income and freely hand it out to persons who did not earn it.

The liberal I am referring to long since has ceased to believe that thrift and economy in Government is a virtue to be practiced.

Mr. Jaymes says the liberal professes to have the interest of the people at heart. However, he has supported a policy of big Government spending which has stimulated an inflationary spiral that has destroyed half of the purchasing power of the dollar in the past 20 years.

Another attribute ascribed to the liberal is that he believes that wages should go up but that the prices of goods and services should go down, all at the same time. He believes that a business or industrial monopoly should be subject to the antitrust laws, and I think we all agree with that. But he believes that an equally big and powerful labor organization should not be subject to the antitrust laws.

Mr. Jaymes is right. The liberal of today believes in big government, big spending and big deficits, and in the philosophy that you can get something for nothing so long as you get it from the Government.

I have dwelt at some length upon the modern-day liberals, because in the processes of Government they must be reckoned with. They are well organized, well financed, and they are very vocal. Certain politicians go to them and their various groups with hat in hand, pleading for their support. As Americans they are entitled to their views. But unless those views are refined, diluted, and combated with effective enlightenment and countermeasures, I entertain grave fears for the future of our Republic.

Abraham Lincoln hit the nail on the head with this statement: "You cannot per-

manently help a man by doing for him that which he can and should do for himself."

To be sure, the situation is appalling, but it is not hopeless. The brakes can be applied if the people are awake to what is going on. There is an old saying, and a true one, that says, "for evil to exist it is only necessary for good men to do nothing." Let us not be taken in by the noiseless process of nibbling away at our liberties—and our pocketbooks. A great man once said that liberty is seldom lost all at one time. Let us guard against the dangers envisioned by the English poet who wrote:

"Vice is a monster of such frightful mien
As, to be hated, needs but to be seen;
But seen too oft, familiar with its face,
We first endure, then pity, then embrace."

In conclusion, let me say this: Surely the great medical profession in this country—the envy of the scientific world—should be allowed to proceed with its program of progress without interference by governmental harassment and bureaucratic regimentation. If medical and hospital costs are too high—let us tackle that problem. If any of our people need medical attention and cannot afford it, let us provide a way to meet that need. But let us do it within the framework of the time-tested American system of free enterprise.

Above all, let us not join with the liberal-social planners who would burn the house down to destroy their imaginary rat, and let us not throw the baby out with the wash.

HOUSE OF REPRESENTATIVES

WEDNESDAY, FEBRUARY 15, 1961

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D.D., offered the following prayer:

Hebrews 4:7: *Today if you will hear His voice, harden not your hearts.*

O Thou God of all majesty and mercy may this Lenten season upon which we have entered inspire us with a longing to hear Thy voice and achieve a larger measure and a finer degree of spiritual culture.

May each of its days be a veritable gateway through which we shall pass joyously into a deeper experience of the blessings of the more abundant life.

Cleanse us of all unrighteousness as we daily give ourselves to prayer and meditation in the spirit of contrition and confession, of humility and gratitude.

Grant that by self-examination, self-discipline, and self-denial, we may gain the mastery over those insurgent impulses and unworthy desires which are continually storming the citadel of our souls and seeking to undermine our characters.

Hear us, in the name of the Christ, our Saviour. Amen.

THE JOURNAL

The Journal of the proceedings of Monday, February 13, 1961, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate by Mr. McGown, one of its clerks, announced that

the Senate had passed a bill of the following title, in which concurrence of the House is requested:

S. 451. An act to authorize the distribution of copies of the CONGRESSIONAL RECORD to former Members of Congress requesting such copies.

SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 451. An act to authorize the distribution of copies of the CONGRESSIONAL RECORD to former Members of Congress requesting such copies; to the Committee on House Administration.

REQUEST TO ADJOURN FROM THURSDAY TO MONDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns tomorrow that it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. GROSS. Mr. Speaker, reserving the right to object, I noticed in last night's Star an item that caused me some concern in the matter of the progress of work in the House of Representatives. I would like to read this—

Mr. McCORMACK. Mr. Speaker, I withdraw the request. I am not going to get into any discussion. You either agree to it or you do not.

Mr. HOFFMAN of Michigan. Mr. Speaker, I make the point of order that a quorum is not present.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

Accordingly (at 12 o'clock and 3 minutes p.m.), the House adjourned until tomorrow, February 16, 1961, at 12 o'clock noon.

OATH OF OFFICE, MEMBERS AND DELEGATES

The oath of office required by the sixth article of the Constitution of the United States, and as provided by section 2 of the act of May 13, 1884 (23 Stat. 22), to be administered to Members and Delegates of the House of Representatives, the text of which is carried in section 1757 of title XIX of the Revised Statutes of the United States and being as follows:

"I, A B, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties of the office on which I am about to enter. So help me God."

has been subscribed to in person and filed in duplicate with the Clerk of the House of Representatives by each of the following Members and Resident Commissioner of the 87th Congress, pursuant to Public Law 412 of the 80th Congress entitled "An act to amend sec-